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Computer Matching: A Review of Exemplary State Practices

COMPUTER MATCHING: A REVIEW OF EXEMPLARY STATE PRACTICES

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EXECUTIVE SUMMARY

This report presents the findings of Phase III of the Food Stamp Program Operations Study (FSPOS) on Computer Matching. Phase III involved intensive assessment site visits to states identified in earlier phases of the FSPOS as having exemplary computer matching practices. This report reflects conditions in the study sites during the period January to April of 1988. The purpose of this research was two-fold: a) to identify information that may be useful to states in developing and enhancing their own computer matching efforts, and 2) to provide the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture, with information that may be helpful in revising federal regulations on computer matching. Consequently, the results of the Phase III efforts can be summarized in two broad categories: issues facing state agencies in their matching efforts and potentially effective management practices.

ISSUES FACING STATE AGENCIES

Integration of the Matching Process. Computer matching activities in the study states were highly integrated with other public assistance case processing tasks. For example, computer matching follow-up activities are integrated with such other routine case processing activities as client recertification and routine adjustments in grant amounts. Moreover, computer matching in the Food Stamp Program (FSP) is virtually inseparable from highly integrated matching for the Aid to Families with Dependant Children and Medicaid programs. Although eligibility and benefit rules differ across programs, the basic computer matching tasks done by workers are very similar.

Given the high degree of program integration, several State and local respondents discussed the need for increased coordination in regulations across federal programs. For example, computer programming activities become increasingly difficult when regulations for FSP, AFDC, and Medicaid differ even in minor ways. Moreover, although the State administrators and staff we interviewed are generally pleased with the federal role in computer matching, they expressed concern about federal regulations on matching and fraud. Regulations in these areas have changed rapidly over the past several years and State agencies have had to make continual adjustments, with little time allowed for field testing the changes. The overall trend toward increased automation for all case processing functions within State Human Service Agencies, makes it increasingly important that federal policymakers in different agencies understand the integration of the match process and the costs imposed on state agencies by instituting rapid policy changes.

Human Resource Requirements. Although the level of funding and top-level commitment to matching play an important role, it is the technical knowledge of professional staff that ultimately seems to make the difference between an average computer matching system and the development of exemplary practices. Skills required of the person with overall responsibility for computer matching generally include: familiarity with local operations, knowledge of the departments within the public assistance agency and the functions of each, the ability to manage people, knowledge of computers, and the vision to see the "big picture" and how all component parts fit into this picture. It is also important that these match coordinators be included in the network of State computer matching professionals that has evolved and can be considered a major impetus for system exchange among States.

The effectiveness of computer matching depends critically on the effective use of technical personnel. It is a mistake to think that simply adopting an automated system will solve all verification problems. It is very easy for staff at both the State and local levels to be overwhelmed by a sophisticated automated system. It is important that States consider both their agency needs for data management and their internal technical capacity when deciding which types of computer matching systems to use. Exemplary States designate computer matching coordinators at the State level and specialized workers or units at the local level who remain current on computer matching details. Even if external computer contractors are employed for system design or software adaptation, it is still important to maintain in-house computer and systems professionals to facilitate efficient reprogramming and modifications.

State-level System Development and Adaptation. Approaches by the study states to the technical elements of computer matching are limited by the nature of the client data base. The structure of states' client data bases has important implications for matching, especially in the exchange of systems from one state to another state.

While state-to-state exchanges of computer matching systems has become increasingly common, there are non-trivial costs associated with such exchanges. For example, first an appropriate system to adopt must be located and then it must be reprogrammed to the particular matching needs of the state.

Difficulties with External Data Sources. Problems encountered by States in using external data sources fall into three general categories: 1) the incompatibility of identifiers used by agencies to match clients, 2) inconsistencies in the time period covered by the various source data information, and 3) difficulties encountered by local staff in attempting to verify match information. These problems are discussed in some detail in the main text of the paper.

Choice of External Data Sources. The number and types of data sources used in matching ranged in the study States from a conservative approach in which matching was mainly limited to those sources required by current regulations to a more aggressive approach involving conducting matches on as many existing data bases as possible. In terms of the comparative usefulness of alternative match data sources, the interviews from the study generally confirmed findings from the Phase II research in which Food Stamp managers stated that unemployment insurance and earnings data were the most effective.

Computer Matching and Quality Control QC Provisions. Computer matching provides easy access to pertinent data that can be used by both eligibility and QC staff. QC reviews can be an important tool in maintaining the integrity of computer matching systems, in that it is the final check to ensure that raw hits generated by matching are properly followed up on. Because of this, it is advisable that QC reviewers are trained to use and coordinate with computer matching systems whenever possible.

An important unresolved issue in computer matching is the precise relationship between computer matching and the FSP error rate. While, on the one hand, computer matching may actually increase the potential for errors as workers are inundated with computer matching data and responsibilities, it may, on the other hand, contribute to a reduction in the error rate by providing workers with a greater access to data that can be used to validate client reported information.

POTENTIALLY EFFECTIVE MANAGEMENT PRACTICES

Establishing Source Agency Contacts. Decisions to use data beyond those commonly available often create difficulties with source agencies which may be reluctant, on privacy grounds, to release information. In some cases, public assistance agencies pursuing additional data have had to secure legislative mandates to obtain the desired data. It is recommended by computer matching professionals, however, that public assistance agencies begin negotiating exchange agreements with source agencies even before such legislation is enacted.

Targeting. Targeting is important if benefits from computer matching are to be maximized. As computer matching has become increasingly common, agencies have faced increasing amounts of data, placing their staffs at risk of facing informational overload. Programming the computer to effectively screen out those data items that are least cost-effective is increasingly being used by States. Although this aspect of computer matching is still developmental, States should continue to examine and develop alternative ways of reducing the amount of information workers must review while, at the same time, maintaining the positive benefits resulting from matching.

Screening out information not considered useful in determining eligibility and benefit levels has so far been largely based on common sense decisions. For example, none of the six study States had conducted empirical studies to determine the relative cost-effectiveness of screening out certain informational items and including others. Yet, all performed screening of some type.

Tapes produced by the Federal government -- the Beneficiary Earnings Exchange Report (BEERS), in particular -- typically are subject to extensive screening by agencies. Extracting data for only persons currently receiving public assistance is one common approach States use in targeting. In the case of the BEERS data, some States extract only that information not available through the State's own wage reporting system (for example, data on federal government and military payrolls, self-employment income, and wages paid by out-of-state employers).

The Internal Revenue Service files present other opportunities for States to screen out certain data elements. One targeting method assigns a \$50 tolerance per year for each type of unearned income, while more elaborate targeting methods categorize IRS income according to its relevance to various public categories of assistance clients.

Tolerances, which are one important form of targeting, are used less often than directly screening out certain data items. In some cases, tolerances are set to coincide with allowable Quality Control differences. Field experience also plays a large role in setting tolerance levels. Worker input on the level of variance that leads to a change in eligibility or benefits is often used in setting tolerance levels.

Meeting IRS Security and Disclosure Requirements. The privacy requirements associated with using IRS data are costly and burdensome, especially in States where matching involves some manual transfer of paper output.

The IRS has imposed rigid security requirements for handling IRS data files that many State agencies find burdensome. These requirements include the use of locks, keys, and file cabinets and the management of the logs and worksheets used by workers. States have had to dedicate up to 50% of staff member's time to comply with IRS regulations. A local level security liaison often must also be assigned within each office receiving IRS data. Local workers are responsible for maintaining IRS security within the local office.

The Computer Matching Coordinator. States can designate a permanent matching coordinator responsible for ensuring that the system in place does not become technologically obsolete, and that responses are made when changes in the environment in which matching is conducted occur. Such changes include, but are not limited to, funding adjustments, new staffing patterns, and policy modifications. An equally important role for the coordinator is to ensure the quality of the follow-up effort. In some states, the computer matching coordinator is supported by coordinating counterparts at the local-level who are responsible for the follow-up efforts of workers within the local offices.

Technical Guidance for Workers. Development of local staff capabilities is essential if computer matching is to become an integral part of the FSP. Several innovative approaches are being used by the study States to train local staff on automated systems and on how to integrate computer matching into regular case management activities. These approaches include: (1) providing formal training sessions on the use of automated systems in which certification, recertification, and computer matching are all integrated, (2) using closed-circuit television and radio networks to provide policy and technological updates to local staff, (3) using computer mail to broadcast both general policy messages and case action messages to specific workers, (4) providing Help Desks at the State level so that computer specialists can be readily contacted by local staff on a daily basis, (5) Publishing policy and procedural memos in an informal newsletter format, and (6) soliciting input from local supervisors and workers on system design and procedures regarding computer matching.

Motivating and Monitoring the Follow-Up Effort. The success of computer matching depends in large measure on the follow-up efforts of local workers. Techniques for monitoring how well workers perform their assigned follow-up duties include supervisory logs, in the form of computer print-outs or computer terminal displays, which can be used to maintain a record of the "raw hits" received and the action taken by workers in the follow-up effort. Supervisors can also make use of desk-top personal computers to monitor computer matching follow-up activity. Monthly case audits, quality control

reviews, and the use of a roving study team to perform in-depth examinations of follow-up work performed at the local level are yet additional methods that can be used to monitor the follow-up effort.

Management Information on the Results of Matching. Data on the results of matching can be aggregated to provide useful information to management. Informational items can be separated by type of assistance program, recipient type, type of external source data, and by local office or worker. This information can in turn be used to isolate practices — for example, those found at a specific local office — that may be either particularly exemplary or that may be in need of particular attention.

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I. INTRODUCTION

This report describes the findings from the third of a three phase study of computer matching systems used by Food Stamp Agencies (FSAs), under the computer matching component of the Food Stamp Program Operations Study (FSPOS). The first phase of this study consisted of telephone interviews with the staff of the 53 State-level FSAs (including Guam, the Virgin Islands, and the District of Columbia). The second phase involved telephone interviews with the staff of a national sample of 191 local-level FSAs.¹ The study's third phase -- the subject of this report -- is based on site visits to six States with computer systems thought to be exemplary in certain respects. During the site visits, each of which lasted from three to ten staff days, information was collected that would (1) be useful to other States in developing or enhancing their own computer matching efforts, and (2) provide the U.S. Department of Agriculture, Food and Nutrition Service (FNS) information that could be helpful when revising federal regulations on computer matching. The list of topic areas covered during the Phase III interviews is presented in in Appendix A of this report.

Section A of this introductory chapter first outlines the use of computer matching systems by Food Stamp Agencies and then indicates the goals of our intensive study of computer matching in six exemplary States. Section B, on study methodology, includes a detailed discussion of the process of selecting States for participation in the study, as well as a description of the study's

¹ The Phase I report is entitled "Report on the Census of State Operations: Computer Matching" and was authored by Demetra Nightingale, Sue Poppink and Regina Yudd. The Phase II Report, Report on Local Operations: Computer Matching", was authored by Demetra Nightingale and Regina Yudd.

data collection methods. Section C briefly describes the remaining chapters in the report.

A. Background and Study Goals

Computer matching is the automated process of matching information about individuals across different data files (or data bases). Since the 1970s, State welfare agencies have been conducting some form of computer matching to detect discrepancies in client reported information. Over the years, client-reported information has been compared, usually with the assistance of a computer, to various independent sources of information on clients, including motor vehicle registration records, data on receipt of unemployment compensation and worker's compensation benefits, tax return data, records of bank holdings, payroll files, and many others.

The original purpose, and still the major emphasis, of computer matching was to identify individuals who were applying for or receiving Aid to Families with Dependent Children (AFDC) but had unreported earnings that would make them ineligible for welfare or reduce their benefits. By the end of the 1970s, welfare agencies had expanded the use of wage data, which is known as wage matching, to food stamp as well as AFDC households. States were required by Congress to wage-match their AFDC caseloads beginning in October 1979. Wage matching in the food stamp program (FSP) was mandated beginning in January 1983.²

² The 1981 Omnibus Reconciliation Act required States to begin wage matching for Food Stamp clients in January 1983.

Food stamp computer matching has had three general purposes: (1) verifying eligibility and benefit amounts, (2) investigating payment errors, and (3) substantiating information to be used in welfare fraud prosecutions. Matching can take place at intake to verify the eligibility of new applicants, at recertification to verify the continuing eligibility of current recipients, or at some other periodic interval (e.g. monthly or quarterly) to detect any inconsistencies in information on ongoing current recipients. The computer matching process essentially consists of the initial match across data files, followed by a range of subsequent follow-up activities, such as verification of the information provided by the independent data sources, investigations, administrative disqualification, claim collections and fraud prosecution.

The use of computers to verify client-reported information has expanded greatly in the years that have followed its inception. Technological advances, availability of additional data sources, and federal mandates all have served to encourage this expansion. Technological advances facilitated on-line and tape exchanges of information, and allowed States to, among other things, increase both the amount of information maintained on file as well as the number of users accessing that information. As other (non-welfare) agencies benefitted from the technological advances themselves, the existence of potential additional match sources proliferated. Formal agreements to exchange and securely maintain the data, which included specification of a technical format "readable" by both agencies' computers, also served to facilitate data exchanges.

In recent years, the expansion of computer matching was especially encouraged at the federal-level by the Deficit Reduction Act of 1984, which required that each State establish an Income Eligibility Verification System

(IEVS).³ Each State's IEVS is to utilize standardized formats to facilitate the data exchanges within the State, between different States, and between federal and State agencies. As part of the State's IEVS, the AFDC, Food Stamp, and Medicaid programs are required to conduct computer matches when households first apply for benefits and, periodically, while benefits are being received. Among the independent data sources that each State must use for matching purposes are the following: (1) quarterly wage information reported by the State's employers; (2) annual Social Security Administration data on wages, earnings from self-employment, Social Security benefits, and Supplemental Security Income benefits; (3) monthly data on benefits distributed under the State's Unemployment Compensation System; and (4) annual Internal Revenue Service data on interest, dividends, and other types of unearned income. In order to conduct matches that are as accurate as possible, State welfare agencies are required to emphasize verification of the social security numbers of new program applicants.

As already indicated, the first two phases of the study documented computer matching practices at both the State and local agency levels. At the State level, the research found that while almost all States were matching on wage and unemployment compensation information reported by employers to State employment security agencies, both the number of other external data sources matched and the procedures for processing the matches varied substantially. The Phase I report developed State computer matching typologies based on the

³ Final IEVS regulations were issued in the February 28, 1986 Federal Register. These regulations require that States agencies develop an Income and Eligibility Verification System (IEVS) that make use of additional sources of information in verifying applicant and recipient reported circumstances and also ensure that appropriate privacy and procedural safeguards are applied in the use of that information.

range of data bases used for matching, intensity of State policies (including the type and frequency of matching), and the maturity of matching operations. The Phase II report described local agency activities and detailed the various policies and procedures that different agencies use to carry out activities related to computer matching.

The goals of the intensive site visits in Phase III of the study were two-fold. One goal was to provide the Food and Nutrition Service (FNS) with a detailed understanding of the administrative responses to recent federal regulations and the obstacles encountered in attempting to comply with Federal regulations. A second goal was to identify and document exemplary matching practices used by some States so that other States might find useful approaches in developing and strengthening their own computer matching practices. State FSAs may find it useful to compare their own State's experiences with those of States examined in this report.

B. Study Methodology

Given the objectives of the study, it was first necessary to identify States with exemplary matching operations. Then it was necessary to interview staff and observe matching activities at both the State and local levels within these States.

1. Choice of States

States were chosen to participate in Phase III of the study on the basis of several factors: (1) the level and intensity of computer matching operations within the State (as determined by the research conducted under

Phases I and II), (2) the recommendations of other researchers and FNS regional staff, and 3) the willingness of State staff to take part in the study.⁴

The level and intensity of computer matching was determined by analysis of the data collected in Phases I and II of the study. The following topical areas were considered: (1) the extent of matching or experience with a variety of data sources, including those newly mandated by IEVS; (2) follow-up actions taken, based on the size of discrepancies discovered by matching; (3) reporting requirements and other means of communication between agencies; and (4) any special or trial matching activities.

FNS regional officials played an important role in the study's site selection process. Regional staff were contacted by telephone and informed of the candidate States in their region. Before contacting any of the individual States about possible participation in the study, the remarks and suggestions of regional staff were considered. Regional input included comments about developments in computer matching in the particular States, results of regional reviews of management in the States, and possible constraints, such as time limitations, that State and local staff might face in participating in the study.

Decisions at the State level also determined, in part, the nature of the site visits. All of the individual States contacted by the Urban Institute agreed to participate in the study. However, one State, Illinois, declined to allow complete local site visits, although it was possible to focus on State

⁴ Abt Associates had completed the field portion of a separate study of Food Stamp Applicant Matching. Urban Institute researchers were able to draw on the observations of Abt researchers to identify potentially exemplary sites.

matching activities, including the operations of a large unit in Chicago whose activities were devoted solely to matching.

2. Data Collection Methods

The six States that participated in the study included: Illinois, New Jersey, South Dakota, Utah, Wisconsin and Wyoming. Visits were made to those States to interview staff involved with computer matching. Site visits were conducted between January and April 1988. In most cases, two Urban Institute researchers spent one week in each State. Typically two days were devoted to interviews of State staff, and one day each to interviews with the staff of two local offices.

State respondents included the person responsible for computer matching at the State level, computer processing professionals, quality control (QC) staff, overpayment collection staff, State fraud staff, and any other persons whose work activities affected, or were affected by, computer matching. Local respondents included office managers, income maintenance supervisors, income maintenance workers, local fraud and QC staff, and, as appropriate, clerical staff and others. Clerical staff can be involved in the conversion of match systems from paper transmittal to on-line transmittal of match information.

A considerable amount of written material was collected by Urban Institute staff during the site visits. Because one of the objectives of this study is to document computer matching operations so that other States may use this information in developing or strengthening their own operations, some of the most important information gathered from these site visits were examples of forms and other output generated during the course of computer matching operations. These forms appear in Appendix I.

3. Methodological Limitations

As already indicated, meeting the objectives of this study required an intensive investigation of States with computer matching operations that may be considered exemplary. There are, however, several limitations to this approach. The most obvious is that there are States not included in the study whose computer matching efforts could also be considered exemplary. Moreover, no State — including the ones selected to participate in the study — can be considered exemplary in all areas of matching. In the final analysis, we selected States that were characterized by an intensive approach to matching, as well as by the employment of technically innovative computer match systems. Since different States face different problems, and even when they face similar problems, they resolve them in different ways, it was also important to select States that varied along different dimensions — caseload size, extent of urbanization, and geographic location. Table I.1 lists the States chosen for the study and presents these descriptive characteristics.

C. Organization of the Report

The remainder of this report is organized in the following manner. Chapter II describes the general design features that are integral to computer matching operations. Chapter III discusses the operational details of computer matching — including discussions of the data sources used in matching, the use of targeting, and security arrangements to protect the privacy of citizens and the integrity of the matching system itself. Chapter IV examines a number of issues concerning the management of computer matching operations in order to ensure that they accomplish what they are intended to

TABLE I.1

SELECTED CHARACTERISTICS OF STATES EXAMINED IN PHASE III

<u>State</u>	<u>Avg. No. of Households Served During 1987*</u>	<u>Value of Food Stamp Benefits Issued*</u>	<u>State vs. County Administered**</u>
Illinois	429,714	\$702,546,528	State
New Jersey	144,584	\$220,216,689	County
South Dakota	17,433	\$ 29,732,811	County
Utah	29,050	\$ 47,583,607	State
Wisconsin	120,530	\$146,243,501	County
Wyoming	10,152	\$ 16,185,254	State

Sources: * FNS Forms 250, 388 - Reporting Forms for FY 1987.

** Food Stamp Summary of Project Area Report, as of January 1987.

do in as efficient a manner as possible. Finally, Chapter V summarizes the major findings and considers some of the policy suggestions made by State and local Food Stamp agency staff.

II. DESIGN FEATURES

A variety of staffing configurations and approaches to matching have been established by States to carry out the necessary match activities. Recent Federal regulations have placed additional emphasis on computer matching, and in many ways have altered the nature of existing systems. In some cases, these new requirements have been a costly endeavor, in others, simply an adjustment or calibration of existing activities. This chapter addresses the overall features of computer matching. The steps involved in the actual process of conducting a match are described; the larger issue of system development in light of recent Federal regulations is addressed; and cost issues relevant to both match processing and system development are discussed.

Section A of this chapter presents a prototype of the matching process, including the methods or approaches used to structure match activities, and the integration of matching activities. Section B discusses the integration of matching for the FSP with matching in other benefit programs, and Section C addresses considerations that arise for administrators in developing new computer matching systems and updating existing systems. The human resource component in system development or enhancement is also discussed in Section C. Section D examines the costs associated with matching; both in terms of the standard match-processing activities and in terms of system development.

A. The Matching Process in General

This section briefly provides an overview of the computer matching process by providing a general prototype description and discussing the various staff activities involved.

1. A Prototype Matching Process

Computer matching begins with a computer comparison of two data bases: 1) internal assistance-agency data files which contain client-reported information; and 2) data files that contain client information obtained from a source external to the public assistance agency.⁵ Examples of these external sources include earnings information reported by employers to the State wage reporting agencies and to the federal government for purposes of calculating social security benefits; data on Supplemental Security Income, Social Security, Unemployment Compensation and Worker's Compensation benefits; Department of Motor Vehicle records; birth and death records; school enrollment data; and most recently, interest and dividend information reported to the Internal Revenue Service by banks and other financial institutions. A client identifier, either the client's name or social security number or both, is used to match the two sources of information. Once the two pieces of information are matched and, hence, can be compared, the comparison is done either by computer or manually. This initial match between the two data sources is usually referred to as a "raw hit."

It is at this point that the major commitment of time by the public assistance agency staff must be made. Because errors may occur in either the data from the external agency, or data in the public assistance agency files, workers must first determine that the match itself is valid — that is, that the agency data and external source data pertain to the same person. Once it has been established that the match is indeed valid, then the worker can begin

⁵ The prototype matching process is discussed in greater detail in Using Computers to Combat Welfare Fraud, by David Greenberg, Douglas Wolf and Jennifer Pfiester. Greenwood Press 1986.

the major match reconciliation activities. This involves a follow-up investigation to determine whether the agency's information on the client is inaccurate. Follow-up activities can include a review of the client's case file, contact with the client, and contact with the original source of the external data — for example, an employer or a financial institution.

If after these follow-up activities have been completed, it is determined that agency information on the client is inaccurate, subsequent post follow-up actions must be taken to correct the error. The nature of this correction depends on when the error originally occurred and whether the client intentionally reported inaccurate information to the agency. For example, if the error occurred at application, action would be taken to deny benefits. On the other hand, if the error occurred while the client was actively receiving benefits, then action would be taken to terminate benefits or adjust them to their appropriate level and to collect any previously received overpayments. If in addition, it is determined that the government has been defrauded, then the agency may prosecute the client. In cases involving Food Stamp fraud, this can be done through either the administrative disqualification-hearings process or the local court system. Cases involving AFDC or Medicaid fraud, on the other hand can only be prosecuted through the local court system.

2. Allocating the Matching Workload

Staff responsible for the various matching activities include a wide variety of personnel. At the State level, the following types of workers may be needed: management staff knowledgeable in local level activities and administrative needs (that is, staff with field experience); data processing professionals; professional staff capable of drafting computer match

procedures that provide adequate guidance to local level workers, yet do not overwhelm them; and staff that establish and maintain contact with external data source agencies. Depending partially on whether a State's welfare system is State or county-administered, the staff involved in the collection of overpayments that are discovered or the prosecution of fraud may be located at the State, regional or local levels. The work involved in the immediate follow-up of the match information — that is, determining whether the agency's information on the client is erroneous — is almost always conducted at the local level. The staff responsible for this work is largely drawn from the following job categories: eligibility workers and clerks who have regular food stamp case processing responsibilities, eligibility workers and clerks who specialize in wage match follow-up investigations, and professional fraud investigators.

There are varied approaches to allocating these responsibilities. Many States have taken a formal "match committee" approach to computer matching, while in other States, the bulk of the responsibility for matching rests with one individual match coordinator or "czar" who supervises others in performing much of the detailed work. State-level matching activities include establishing and maintaining contacts with the external source agencies, developing procedures and guidelines for local office staff, ensuring that these procedures and guidelines are actually followed, providing necessary training for local office staff, responding to questions and inquiries by local office staff, managing the flow of information between the State and local offices, purchasing the computer hardware and developing the software used in matching, and adjusting the computer software for any program changes that may affect food stamp eligibility and benefit levels.

At the local level, responsibilities for matching activities tend to be allocated among the different workers in one of two ways: an allocative approach or a specialist approach. Under the allocative approach, match information is sent to the eligibility worker responsible for processing that particular case. These eligibility workers are then required, in addition to other case activities, to handle the initial follow-up reconciliation tasks and, if necessary, to redetermine grant amounts and establish claims to recoup overpayments. When appropriate, the information obtained from these preliminary activities is then forwarded to a fraud unit or overpayment collection unit or both.

The second approach involves the use of specialized workers in most or all of the tasks required by the follow-up process. An example of a specialized match unit is the Project Administration Section (PAS) in Cook County, Chicago, Illinois, which is responsible for reviewing cases identified through matching. In addition to conducting match follow-up activities such as correcting benefit status and initiating claim activities, the staff are also responsible for conducting studies, piloting test projects and initiating special activities designed to improve program and operations management.⁶ Although a case can be made for each of these approaches to matching, evaluation of these alternatives is beyond the scope of this report. Table II.1 describes the allocation of matching activities in each of the study states.

⁶ Because its activities are specialized, the Project Administration Section is able to produce the type of cost and benefit information useful in assessing computer matching efforts. See Section D of this chapter for selected cost and benefit data from the PAS unit.

Table II.1
Allocation of Matching Activities

<u>State</u>	<u>State Office</u>	<u>Local Office</u>
Illinois	Bureau of Research and Analysis designated a staff person as match coordinator.	Fraud recovery coordinators are in each local office.
New Jersey	Division of Public Welfare has a designated match coordinator.	Each county has a match coordinator. Staff in local office perform the various tasks involved in matching.
South Dakota	Department of Social Services has a state computer matching coordinator.	Eligibility workers are responsible for performing the various tasks required by matching. Overall responsibility rests with eligibility workers' supervisor.
Wisconsin	Wisconsin convened a match team of programmers and policy analysts. One member of that team serves as a match coordinator.	Eligibility workers are responsible for performing the tasks required by matching. Overall responsibility rests with eligibility workers' supervisors.
Wyoming	Division of Public Assistance and Social Services designated state staff for conversion to on-line system.	Matching is part of EW's regular workload. Thus, overall responsibility rests with office manager, supervisor, and workers.
Utah	Match teams of programmers and policy analysts were assembled for conversion to on-line system.	Eligibility workers have responsibility for matching.

B. Integration of Matching

To fully understand our findings, it is necessary to be aware that, a) computer matching activities in the States examined in Phase III were highly integrated with other case processing tasks, and, b) computer matching for the FSP is integrated with matching for AFDC and Medicaid.

1. Integration of Matching into Regular Case Processing Activities

Earlier in this chapter, we indicated that, in many welfare agencies, when a raw hit occurs on a case, the eligibility worker responsible for the case is also responsible for follow-up action on the hit. Under these circumstances, it makes a great deal of sense to integrate computer matching follow-up activities into the worker's normal routine. This, in fact, was the approach taken in four of the States visited — Illinois, Utah, South Dakota, and Wyoming.

In Wyoming, for example, each worker receives an "alert" list on his or her computer terminal that is updated daily. Similarly, in South Dakota, each worker's terminal displays a regularly updated "to do" list. These lists, which are basically a computerized version of a tickler file, inform the worker of various case actions that must be taken. For example, the worker may be informed that one AFDC-FS case is due for recertification and that a child in another case has reached 18 years of age and, hence, the case's AFDC and food stamp grant amounts must be adjusted because the child is no longer eligible for AFDC. Similarly, the worker may be informed that a computer match has generated raw hits on several of his or her cases and, hence, follow-up investigations must be initiated on these cases.

Although the approach just described does go far in integrating follow-up work into an eligibility worker's daily routine, it does have an inherent limitation. This results from the fact that the work generated by computer matching tends to be concentrated in certain time periods since most matches occur only after specified time intervals. For example, most cases are matched against IRS data only once a year. Immediately after this match occurs, considerable time may be required on the part of eligibility workers. During the remainder of the year, however, workers will devote relatively little time to this match.

2. Integration of Matching Across Assistance Programs

Most computer matching systems do not distinguish between matching activities for the Food Stamp Program and matching activities for the AFDC and Medicaid programs. This is not to say that in calculating overpayment amounts or in making grant redeterminations as a result of matching or in other related activities, differences in program rules are not taken into account. They are, of course. We simply mean that the basic process that is followed in computer matching is fairly similar across recipient households, regardless of the specific program or set of programs in which the household is participating.

C. System Development And Adaptation

At the time the Phase III site visits were conducted in mid-1988 many State computer matching efforts were in a State of flux. The Income and Eligibility Verification System (IEVS) regulations, discussed in Chapter I,

had recently been imposed. These regulations require that States have automated systems to verify income and eligibility, and that new match sources, including Internal Revenue Service data and wages reported to the Social Security Administration be accessed by eligibility workers. IEVS also set specific procedural guidelines on match follow-up and established certain reporting requirements. Obviously, a State's pre-IEVS level of development in computer matching was a major determining factor in the level of State efforts required to meet the IEVS requirements. Although all the States examined in this study had exemplary practices in computer matching, we nevertheless encountered a wide range of sophistication of computer matching efforts -- both during the pre-IEVS period and the time of our visit. In some States, IEVS was at least a major part of the impetus for States to make a complete conversion from a hard-copy paper system to an entirely automated on-line system. In other States, only a moderate level of effort was required to meet the IEVS regulations, and in still others, the State had a fairly sophisticated match system already in place. In the latter case, IEVS simply required some additional data processing efforts in order to accommodate the new match sources and some in-house programming refinements to ensure that follow-up activities were in compliance with regulations. Table II.2 presents state-by-state information on the development of matching systems.

1. Human Resource Requirements

The development and strengthening of an effective computer matching operation depends in large part on the commitment of the professionals involved and the presence of certain conditions that allow these professionals to carry out their responsibilities. In each of the sites in the study, Urban

TABLE II.2
Development of State Matching Systems:
Internal versus External Development and Use of
Outside Consultants

<u>State</u>	<u>Method of Development</u>	<u>Use of Outside Consultants</u>
Illinois	Internal Development	No
New Jersey	Internal Development	No
South Dakota	Imported Vermont Software	Yes
Wisconsin*	Intending to Import Ohio Software	Yes
Wyoming	Imported Alaska Software	Yes
Utah	Imported Alaska Software	Yes

* At the time of the field visits, Wisconsin had recently decided to import Ohio's match software.

Institute staff observed professionals who were highly committed to bringing their State's computer matching efforts up to par with the most sophisticated existing matching system. Although the level of funding and top-level commitment to matching play an important role in making this possible, it appears that the technical knowledge and dedication of the professional staff that ultimately seems to make the difference between average responses to computer matching and exemplary program practices.

As discussed previously, match systems can be developed entirely in-house or outside systems can be transferred from another State. In general, system development at the State level has required the contributions of both in-house staff and outside consultants. The transfer of systems already existing in some States to other States, as mentioned in Section 1, also typically requires in-house staff and outside consultants, as well as considerable communication between technical professionals in the two States involved.

The skills of the person with overall responsibility for developing a new computer matching system or bringing an existing system up to standards required by Federal regulations can vary to some extent. In general, however, that person will need the following skills: familiarity with local operations (ideally with experience in local welfare administration), a knowledge of the component offices of the public assistance agency and the functions and mission of each one, ability to manage people, considerable knowledge of computers (a systems analyst background is not essential, but it is very helpful) and the vision to see the "big picture" and how all component parts fit into the picture.

One way that persons with overall responsibility for matching within the State augment their skills is by obtaining information from other States.

Urban Institute staff encountered a well-developed network among States in the area of computer matching. We found that States are very aware of one another's activities in the matching area. States are constantly in contact with each other to find out best practices developed elsewhere that they can adopt. Moreover, personal contacts are also necessary to initiate interstate computer matches. The contact may be quite informal, for example — a telephone call between two match coordinators. More formal contact can involve visits to other States by top State officials. Regional conferences sponsored by FNS have also proven very helpful to State staff, as have conferences sponsored by the American Public Welfare Association. In addition, seminars given by the Internal Revenue Service to explain their strict security requirements have been useful in promoting an understanding by the States of the reasoning behind the requirements.

When meeting Federal regulations requires a total system conversion, it is often necessary to take a "team" or task force" approach although one person must still, of course, have overall responsibility. For example, the State of Wisconsin, at the time of our site visit, was in the process of converting to a completely new case management system which included matching as one component. To perform the work required by this conversion, the State established a match team called "SCAN — State Crossmatch Automated Network". The team draws on the services of a coordinator, program and planning officers, systems analysts and programmers, and meets on a regular basis.

Consultants often play an important role in the development and strengthening of match systems. In addition to the consulting firms that market their software packages to the States, there are individual programming consultants who are hired by the States. Although the States we examined in

this study did not make steady use of consultants, they did make occasional use of them when making major changes in their matching systems. Individual consultants can be useful for short term periods of time or in areas where there is not a large supply of computer programmers or data processing professionals.

2. State Level System Development and Adaptation

The major computer constraint on a State's matching activity is the nature and ordering of the information on its client data base. In computer terminology, this touches on the question of data base structure, which may be hierarchical, relational, or both, and programming language, which may be COBOL or NATURAL.⁷ The implication of data base structure for matching public assistance cases stems from the fact that information on each individual client member of a recipient unit may be formatted so that either (1) the individual is identified only through his or her public assistance case number, or alternatively, (2) the individual may be found under the case number of the head of the recipient unit. Computer matching on all household members requires that each member of a recipient unit be identified by his or her own name and Social Security number. The type of data base structure used by a State's public assistance agency plays an important role in the State's ability to conduct matching. In some instances,

⁷ An important factor in the development and strengthening of computer matching practices is the fact that many computer matching systems are adapted from and transferred to other States. Whether a State uses ADABASE or DB is an important determinant of which computer matching system the State is able to bring in.

it may be necessary for a State to transform its client database into a structure that is more suitable for computer matching.

The computer software used for matching may be developed completely in-house by a State or a State may import a system already developed by another State, making whatever modifications are necessary to tailor the system to its own specific needs. In either case, outside software firms are usually hired on a short-term consultant basis. The obvious advantage of importing an existing system from another State, rather than developing a new system, is that large savings in time and costs can be obtained. Of the States we visited, Illinois and New Jersey matched on the basis of software that had been mainly developed within the State. In contrast, both Wyoming and Utah imported their software systems based on systems already developed in Alaska, and South Dakota imported its from Vermont. The Alaska and Vermont systems have, in fact, served as models for a number of other States with similarly small caseloads. In addition, at the time of our site visit, Wisconsin had just made a decision to import a software system recently developed in Ohio, although it had not yet done so.

Although the importation of existing software systems does result in considerable cost and time savings, non-trivial costs are nevertheless still incurred by the importing State. First, the importing State must find an appropriate system to adopt. Fortunately, this process is facilitated by the fact that the computer systems staffs of different State welfare agencies appear to have established a well developed communications network. This network, which is discussed in somewhat greater detail later in the chapter, operates through person-to-person interactions at conferences, newsletters, surveys, and telephone calls. Once candidate software systems for importation

are located, staff from the importing States must make site visits to the potential exporting States. Finally, once an actual software package has been selected for importation, the physical software and its accompanying documentation must be obtained. This process can be facilitated by hiring a software firm that is marketing the particular package. For example, the software package originally developed for use in Alaska is marketed by a consulting firm located in Arlington, VA.

It is then necessary to adapt the software package to the particular needs of the importing State. This adaptation process will be necessary even though the importing and exporting States may be relatively well matched in terms of caseload size and general operating procedures. For example, the formats of the data files used in computer matching will inevitably differ between the two States. In addition, the importing State may wish to conduct certain matches not presently conducted by the exporting State. Moreover the importing and exporting States will utilize somewhat different administrative procedures in conducting matching — for example, in generating reports and in collecting overpayment claims. Also, the provisions of their AFDC and Medicaid programs will vary.⁸ Because of all these differences, considerable re-programming is inevitably required when one State imports its computer matching software from another.

3. Local Level System Development and Adaptation

Information on the raw hits that result from matching can be transmitted to the local office staff responsible for following up on them either off-line

⁸ Food Stamp Program provisions are uniform across States. However, many Food Stamp recipients also receive AFDC or Medicaid or both.

(as hard copy computer print outs) or on-line via computer terminals. With the exception of Illinois and Wisconsin, the study States relied entirely or were relying increasingly on the second approach. A major impetus for this was simply to reduce the enormous volume of paperwork that can otherwise be generated by computer matching. Moreover, the software associated with the on-line, paperless approach to matching can be designed so as to minimize or, in some instances, even eliminate routine tasks performed by local office staff. For example, once the client data have been received from the external source agency, the computer can compare that data with the information reported on the client data base, calculate the difference, if any, and then make the information available in the form of a visual terminal display to the worker responsible for processing that particular case. The worker then has the responsibility for reconciling any discrepancies with the client. With matching systems which use highly sophisticated computer software (e.g. those in Wyoming and South Dakota), a worker can use the computer to generate letters requesting information from clients, employers, or financial institutions in order to perform this reconciliation. Once the client's actual income or assets are reverified, the caseworker will enter this information into the system. At that point, the computer can calculate correct grant amounts and, based on the policy in place at the time overpayments were received, compute the amounts of overpayments received by the client.

Once the overpayment amounts have been computed, the computer can transmit the information to appropriate collection personnel and, when necessary, generate demand letters. Finally the computer can assemble information on the results of matching throughout the State and then use this information to

generate reports that contain summary information on the number of raw hits, the disposition of raw hits, amounts of documented overpayments, and so forth.

Although sophisticated computer software can tremendously reduce the workload associated with matching, substantial amounts of worker time are nevertheless still required. For example, apparent payment discrepancies must be discussed with clients and data received from employers in response to requests for information must be entered into the computer system. In addition, many workers told us that in comparing client-reported information with external source data, they usually pulled the client's case file, even though the information items they were checking could also be readily displayed on a computer terminal. One reason for doing this is the possibility that incorrect information on the client had been entered into the computer system. In South Dakota and Wyoming, we also talked to workers who manually did the calculations required to make grant redeterminations and to determine overpayment amounts, even though the computer had been programmed to make these calculations much more quickly and with greater accuracy. In some instances, this appeared to reflect a lack of familiarity with the computer's full capabilities and, in other instances, a basic mistrust of the computer.

As should be evident from the discussion so far, the most important computer consideration at the local level is the acquisition of terminals. Obviously, States that use an on-line, paperless computer matching system require that local office staff be equipped with computer terminals. In such States, the terminals are usually IBM or IBM look-alike products. Depending on budgetary or space limitations, States have devised various ways to allocate computer terminals among eligibility workers and other staff responsible for matching. When resources permit, as in South Dakota and

Wyoming, each worker is provided with his or her own terminal. Otherwise, one terminal may have to be shared by as many as 6-10 workers. An obvious disadvantage of this latter situation is that workers must leave their desks to use the terminal. They may also be required to wait in a queue, and as a consequence, are unlikely to make maximum use of the terminal in performing computer matching tasks.

A particularly inventive way to share terminals and yet circumvent this problem was observed in the Milwaukee County (WI) Welfare Office. That office used cubicles designed with an open space between two workers. The terminal was placed on a lazy-susan type apparatus located within the open space. In this way, two workers could access a single terminal without having to leave their desks. Table II.3 highlights the availability of terminals in each of the study states.

4. Technological Obsolescence and the Need for Updating

An important research question concerns the rate at which matching systems become technologically obsolete. As mentioned previously, the Phase III intensive assessments revealed that many matching systems were in a state of fluctuation. Many States were making either complete conversions to automated systems or adding to their existing matching system in order to comply with the IEVS regulations.

Thus, to a greater or lesser extent, matching systems in these States had become obsolete. The State of Wisconsin provides an especially good illustration of the problem of obsolescence. Several years ago Wisconsin had a state-of-the-art computer match system. Many of the advances and experiences of that State's considerable matching efforts are/will be insert

Table II.3
Availability of Computer Terminals
by State

<u>State</u>	<u>Staff Access to Terminals</u>
Illinois	Each worker has own terminal.
New Jersey	Staff in 2 counties have terminals. Terminals are not available to staff in other counties.
South Dakota	Each worker has own terminal.
Wisconsin	Terminals are being phased in for all staff over a 3 year period.*
Wyoming	Each worker has own terminal.
Utah	Each worker has own terminal.

* In Milwaukee County, Wisconsin lazy-susan devices positioned between two desks allow workers to share computer terminals.

incorporated into the State's current policies and new match efforts, however, the computer system used in that State will have to be completely revamped to accommodate the additional matching requirements. The old system does not have the capacity to hold all the data elements which are required to conduct computer matching on all of the sources of information currently required and at the same time handle all other agency functions which require the use of the computer. Additionally, limitations in system capacity did not allow client historical information to be maintained on the system. Because the very nature of match information means that it is not available until after the payments have actually been made, it is essential that client benefit histories be available to the workers in order to calculate overpayments.

In terms of general maintenance and updating, system flexibility is an important factor for State consideration. Changes to the computer matching portion of an automated system can involve linking the system with additional match sources, implementing new methods of choosing those data elements within a data source that will be used in matching, generating summary reports, and other similar management tools. The design of these features and the flexibility to implement changes once the system is up and running depends in large part on the original design of the system. While it is possible to design a system to be flexible and open to changes, some computer efficiency may be lost in doing so. In terms of source data, programs need to be flexible enough to allow for changes in source data formats (the method in which the source data agency stores and maintains its data). In terms of computer capacity, the more data sources that are accessed by workers, the more computer capacity will be required to access those sources. This can lead to a slower response time for workers.

D. Costs

1. Costs Incurred in the Match Process

As discussed in Section A of this chapter, workers must complete certain match processing activities. Because matching activities are often integrated with other case processing activities (discussed in Section B), cost figures attributable solely to matching are often difficult to calculate. However, States with special units devoted exclusively to matching are able to shed some light on the cost issue.

Although most agencies do not routinely collect cost information, the Cook County (IL) Project Administration Section (PAS) and the State matching unit in New Jersey were able to provide us with some data on costs and cost savings. Average per-match case-cost figures in Illinois' PAS unit range from \$29.98 (to conduct a match on Supplemental Security Income data, to \$109.98 (to conduct a match with tax information from the Illinois Department of Revenue). The PAS routinely calculates these cost figures and monthly cost summaries are provided to the State office. Although the person who devised the method of calculating the cost of conducting matching in the unit, describes it as a less than perfect method; it does provide an example of attempts to measure the costs of matching, and distinguish the costs by data source. In New Jersey, the State matching coordinator estimated monthly cost savings by aggregating benefit amounts that would have been paid on cases that were closed as a result of matching.

2. Costs of System Development and Modification

This section provides selected cost figures in order to illustrate the costs of implementing or upgrading computer matching systems. As discussed in previous sections, States are in various stages of development, both in terms of general automation and in terms of computer matching. Three specific instances are included below.

- o The development cost for Alaska's automated eligibility system (of which matching is one component), was estimated by a respondent in this study to be between 12 and 15 million dollars.
- o The costs of importing an automated eligibility system from another State ranged from \$ 2.8 million to \$ 3.7 million. These figures include labor hours spent in switching over from a paper to an automated system, the equipment, installation of lines, and travel and time spent at user committee meetings, user manuals, programming and training. The refinements made for the IEVS portion of the South Dakota's automated eligibility system cost approximately \$28,000.
- o New Jersey, a State which has been a leader in computer matching efforts, and has had its own version of matching for many years, has requested \$1.5 million dollars as part of their Advance Planning Document and "IEVS II" request. The funds will be used for, among other things, the purchase of computer terminals for workers in local offices and for staff time to program and design data layouts or formats which will permit computer matching across State lines. Development of these "standard formats" requires substantial initial computer programming efforts, but greatly facilitate cross-State public assistance and wage matching.

E. Summary

This chapter has addressed the overall features of computer matching systems. It presented a description of the steps followed by State agencies in conducting computer matches and the organization of match activities within agencies, including the ways in which match activities

are integrated with other case processing activities. The chapter also examined various approaches taken by the study states to develop or update computer match systems, with particular focus on the human resource and technical requirements of the approaches.

As the chapter points out, the study States vary considerably in how they attempt to coordinate match activities. Some assign an individual match coordinator, others use a task force approach, and still others employ consultants on a long term basis. Nevertheless, the requisite skills of persons charged with undertaking this task are listed in the chapter. These skills are augmented by networking among computer matching professionals — via informal telephone contact, State-to-State surveys, or government seminars — which, according to the computer matching professionals interviewed for this study, has proven to be very valuable in computer matching.

Approaches by the study States to the technical elements of computer matching are limited by the nature of the client data base. As discussed in the chapter, the structure of a State's client data base has important implications for matching, especially, in adopting matching systems from other States. While State-to-State exchange of computer matching systems is becoming increasingly common, there are non-trivial costs associated with such exchanges; especially, in locating the appropriate system to adopt and then reprogramming it to the particular matching needs of the State.

The chapter also covered three additional topics. The first of these was technological obsolescence and the need to consider source data formats and computer capacity. The second was the need to purchase computer

terminals for local-level staff, and ways to reduce the financial burden imposed by these purchases. Third, though the study was not intended to measure the cost of matching, the collection of such data was briefly considered.

III. OPERATIONS

Drawing on the experiences and procedures of State visits, this chapter focuses on operational areas of computer matching about which States have difficult decisions to make. The first two sections of the chapter examine the various external data sources that can potentially be used for matching and discuss State public assistance staff efforts to develop contacts with source agencies and set up data sharing agreements. Section C of the chapter focuses on targeting. Targetting — extracting only those information items from external files that are likely to affect eligibility and benefit levels — is a mechanism for ensuring that local staff do not have to devote time to reviewing match information that will not affect eligibility and benefits. Section D describes requirements imposed by the Internal Revenue Service (IRS) on the use of data from that agency for matching purposes, and how State agencies have responded to these requirements.

A. Types Of External Data Sources Used

State public assistance agencies use a variety of external data sources to determine program eligibility and calculate correct benefit levels. External data sources used by States fall into one of the following five broad categories: earned income, work insurance programs, public assistance benefits, asset levels and information on the characteristics of household members (e.g., birth, death, school attendance, marriage). The types of data sources used by the States examined in this study ranged from a conservative approach in which matching was mainly limited to those sources required by the

IEVS regulations (New Jersey, Utah and Wyoming) to an aggressive approach that involved securing legislative mandates and conducting matching on as many existing data bases as possible (Illinois and Wisconsin).

Of particular research interest is the question of which data sources actually lead to the most denials of benefits or reductions in benefit levels. Based on research from the Phase II study on local computer matching operations, the systems ranked by local staff as most effective based on the above criteria, were systems that used the quarterly earnings data collected from employers and monthly information on unemployment insurance benefits.⁹ Furthermore, unemployment insurance was ranked as the most effective data source for matching done at application, while earnings and unemployment insurance data were considered equally effective when used at recertification. Responses during the in-person interviews conducted in this phase were also consistent with this ranking. Decisions concerning whether to use relatively few or a wide variety of data sources seemed largely determined by State agency and legislative attitudes toward public assistance and fraud detection.¹⁰

Accessing computerized information is never as inexpensive and easy as one may initially anticipate, and each type of data presents its unique set of difficulties. Three general types of problems are encountered: a) incompatibility of identifiers used by each agency to identify clients, b)

⁹ "The Use of Computer Matching in Local Food Stamp Agencies" Prepared for the Food and Nutrition Service by Demetra Nightingale and Regina Yudd. January 1988.

¹⁰ Staff perceptions on the effectiveness of earnings and unemployment data, did not vary by the number of data sources used in addition to those two sources, i.e. earnings and unemployment are considered to be the most effective data sources regardless of the use of additional data sources.

inconsistencies in the time period covered by the various source data information, and c) difficulties encountered by local staff in attempting to verify match information.

Under ideal matching circumstances, the public assistance agency and external source agency will identify an individual applicant or recipient on their respective files using the same identification method. Public assistance agencies typically use the name and social security number (SSN) of clients as primary identifiers. Although, the SSN is also used by most outside agencies as an identifier, there are some major exceptions. Banks, for example identify clients by name and account number, and State motor vehicle agencies may issue automobile registrations based on some other sequencing.

Simply matching data to a particular client does not always guarantee a "good match". Time lags in reporting and data processing mean that information from a match may not be available for follow-up action until well after the client has received benefits. In addition the time periods for which data are reported may not be exactly the time period required by FSA staff. For example, wage data are normally reported by quarter but assistance agencies must calculate benefits based on monthly income. Appendix B presents a discussion of time lags and time period aggregation problems.

Problems may also occur because local agency staff have difficulty verifying the information provided by the match. This can occur for a variety of reasons. For example, in the case of a wage match, it may be difficult to contact an employer because an insufficient address is provided or the employer, once contacted, may have difficulty providing the requested information because of poor record keeping. In the case of an assets match, a

bank may demand a fee for providing necessary verification information. The three types of problems are briefly enumerated in Table III.1 for each of the five match categories. Table III.2 presents state-by-state information on data sources used.

B. Establishing Source Agency Contacts

Establishing contacts and agreements with the source agency can often be the most difficult step for a State public assistance agency in developing computer matching. Relationships between the public assistance agency and agencies possessing external source data may be either cooperative or tenuous, depending on the attitude and legal responsibilities of the source agency.¹¹ Although agreements have been long established in many States for commonly used external data types — for example earnings and unemployment compensation data — decisions to use additional data sources require that new contacts and agreements be established. In general, agencies sign agreements covering the purpose of the exchange, the time period for which data are available, and security provisions attached to using the data.

Depending on the receptiveness of the source agency, a legislative mandate or enabling legislation may be necessary before data can be shared with other agencies. In the case of certain important types of data (for example, data T

¹¹ Source agencies can be concerned about protecting the privacy of the individuals about whom information is collected by their agency. The Privacy Act of 1974 prohibits the use of information for purposes other than for which it was originally collected. Office of Management and Budget (OMB) guidelines exempt computer matching from the Privacy Act under the "routine use" provisions. Some external source agencies may, however, be reluctant to release information to any agency on privacy grounds.

TABLE III.1
POTENTIAL PROBLEMS ASSOCIATED WITH USING
EXTERNAL DATA SOURCES

<u>Data Source</u>	<u>Identifiers</u>	<u>Timing</u>	<u>Verification/Follow-Up Difficulties</u>
A. <u>Earned Income</u>			
State Wage Collection Agency (SWICA) (All study states)	Clients can be easily mis-identified through clerical errors in transmission of SSNs. SSN may be used by other individuals. Employers may obtain incorrect SSNs. Name changes brought about by changes in marital status may make matching difficult.	Because of time lag in employer wage reporting, current earnings information is unavailable. Lag can be 3-9 mos. Quarterly earnings cannot easily be disaggregated by month.	It may be difficult to contact employers for verification for the following reasons: a. Employers may be reluctant or unable to provide information because of staff shortages, incomplete records. b. Employer may be transient, out of business, and, in some cases, difficult to locate. c. Employer may subscribe to accounting service whose name appears on wage match as employer, making it very difficult to locate actual employer. d. Payroll records may be maintained at a national headquarters. This could delay the verification of employment. Alternately, records may be maintained at a local branch, but the match may provide address of a national headquarters.
Federal records of earnings from Social Security Administration (BEER) (All study states)	Employer may be identified by Federal Employer Identification No., while the state may have its own employer identification system. This will require that state staff use Federal code book to identify employers.	Tape is produced once a year and is not available until several months into the following year.	Similar verification difficulties as for SWICA data.
Wage files from other states (IL,WI, NJ)	Lack of standard matching format may inhibit State-to-State matching	Similar time lag and aggregation problems as above for State Wage Collection Agency	Similar verification difficulties as for SWICA data.

**POTENTIAL PROBLEMS ASSOCIATED WITH USING
EXTERNAL DATA SOURCES**

<u>Data Source</u>	<u>Identifiers</u>	<u>Timing</u>	<u>Verification/Follow-Up Difficulties</u>
Records of individual public and private sector employers (IL)	Potential identification problems as above with SWICA data.	Can be relatively up-to-date.	No information available
B. <u>Worker Insurance Programs</u>			
Unemployment Insurance (All study states)	Similar identification problems as with SWICA data.	Relatively, the most up-to-date-source, since benefits are issued monthly by state unemployment agency. Lag time is no more than one month.	Verification difficulties are rare with matches against transfer payments. The public assistance agency does not have to contact the agency that issued the transfer payment.
Worker's Compensation (WI,WY)	Similar identification problems as above with SWICA data. WC files may list only cases which have been adjudicated and not cases settled out of court.	Relatively up-to-date source	If file is maintained by State wage agency, follow-up difficulties are limited.
C. <u>Public Assistance Benefits</u>			
Federal Benefits: Social Security, Retirement or Supplemental Security Income (All study states)	Client may be receiving benefits under spouse's or relative's SSN.	Requires that states keep current those persons who are no longer receiving Federal SSA or SSI benefits in their state.	- - -
State Issued Benefits: AFDC, General Assistance (All study states)	- - -	No significant timing problems, these matches are generally very timely in nature.	- - -
Matches with assistance files of other counties, States. (These are referred to as duplicate participation checks). (IL,NJ,SD,WY)	Lack of a standard matching format, may inhibit state-to-state matching	Requires that states keep current those persons who have left P.A. in their States.	Requires long distance contacts with other States.

POTENTIAL PROBLEMS ASSOCIATED WITH USING
EXTERNAL DATA SOURCES

<u>Data Source</u>	<u>Identifiers</u>	<u>Timing</u>	<u>Verification/Follow-Up Difficulties</u>
D. <u>Asset Matches</u>			
IRS match (All study states)	Similar identification problems as above with State Wage Collection Agency.	Information is not available until several mos. after the completion of the tax year, leading to a potential lag of up to 15 mos. Data appears as a yearly interest payment. Benefits are calculated on a monthly basis. Federal agency may take up to 60 days to provide an extract tape to State agencies.	Verification difficulties associated with IRS matches include the following: a. Information is provided about income flows, but agency requires information on the value of the asset. b. Financial institutions (who report information to the IRS) may require a research fee up to \$25, adding to state administrative costs. c. Financial institutions may be reluctant to provide data to agencies. Normal client release forms are not sufficient for release. d. Income earning asset may belong to someone other than the client.
Motor Vehicle Matches (IL,SD,UT,WI,WY)	State Motor Vehicles may not carry social security identifier.	Vehicle may no longer belong to the client or may no longer be in working order.	Proving ownership may require a home visit.
Financial Institution Match (UT)	Match is possible on name only.	Funds may no longer be available to client.	Similar verification difficulties with IRS data as above, especially item (d). Determination of ownership is difficult.
Credit Bureau Records* (WI)	- - -	- - -	- - -
State tax files (UT)	Similar identification problems as with SWICA data.	Similar to timing problems as above with IRS data.	- - -
E. <u>Circumstantial Matches</u>			
Vital statistics (Marriage, births deaths) (IL,SD)	Records are matched on names only.	- - -	No significant difficulties. Rural offices find newspapers as useful as computer matching.

**POTENTIAL PROBLEMS ASSOCIATED WITH USING
EXTERNAL DATA SOURCES**

<u>Data Source</u>	<u>Identifiers</u>	<u>Timing</u>	<u>Verification/Follow-Up Difficulties</u>
School attendance records (IL)	Records are usually matched on names only.	School records are often not computerized, causing processing delays.	Schools may be reluctant to provide information on students to an outside agency.
Address checks to verify household composition	Address may be incomplete; i.e.; P.O. Box only	- - -	Verification may require a home visit.

At the time of the Phase III site visits, WI had just begun to work with Credit Bureau Records.

Table III.2
External Data Sources Used In Matching, By State

<u>DATA SOURCE</u>	<u>IL</u>	<u>NJ</u>	<u>SD</u>	<u>WI</u>	<u>WY</u>	<u>UT</u>
SWICA	X	X	X	X	X	X
BEERS	X	X	X	X	X	X
OTHER STATES' WAGE FILES	X	X		X		
RECORDS OF INDIVIDUAL EMPLOYERS	X					
UNEMPLOYMENT INSURANCE	X	X	X	X	X	X
WORKER'S COMPENSATION				X	X	
STATE ISSUED BENEFITS (AFDC, GA)	X	X	X	X	X	X
DUPLICATE PARTICIPATION FILES (In other Counties, States)	X	X	X		X	
INTERNAL REVENUE SERVICE FILES	X	X	X	X	X	X
VITAL STATISTICS MATCHES (Marriage, births, deaths)	X		X			
SCHOOL ATTENDANCE RECORDS	X					
ADDRESS CHECKS	X			X		
STATE TAX FILES						X
CREDIT BUREAU RECORDS				X		
FINANCIAL INSTITUTION MATCH						X
MOTOR VEHICLE MATCHES	X			X	X	X

possessed by the Social Security Administration and the Internal Revenue Service), the U.S. Congress has passed the necessary legislation. But for other types of data (for example, State motor vehicle records, vital statistics, board of education, etc.), State legislation may be necessary. In these instances, the State welfare agency commissioner or legislative liaison will present the case to the appropriate legislative committee. In the States where interviews were conducted for this study, this process was said to take between one and two years.

Even if legislation is required, though, it is advisable for the affected agencies to work out an agreement before approaching the legislature, if possible. One public assistance agency official commented that it was better to go directly to the source agency (and to follow-up with a legislative mandate, if necessary), because "no one likes to have legislation shoved down their throat."

C. Targeting

Targeting — the decision to follow-up only on the data items most likely to affect FSP benefit eligibility or benefit levels — is a potentially efficient method for minimizing the huge workload that could result from computer matching. Although targeting can be conducted manually, in the six States visited by Urban Institute staff, computer programs had been devised to screen out pieces of information not considered very useful in determining eligibility and benefit levels. In the remainder of this section, we provide some specific illustrations of how computer screening is actually conducted for purposes of targeting. Before beginning, however, it is important to

emphasize that, at least in the six States we visited, decisions on targeting were mainly based on common sense. In other words, empirical studies have not been conducted to determine the relative cost-effectiveness of screening out certain informational items and including others.¹² Instead, the targeting approaches typically used, while generally logical, are somewhat arbitrary and ad hoc in nature.

Computer tapes produced by the Federal government that are used in matching have particularly been subjected to heavy screening by some States. One reason for this is that some of the information they provide is duplicative of information readily available to the State. For example, the BEER (Beneficiary Earnings Exchange Report) produced by the Social Security Administration provides earnings information on public assistance clients. However, employers covered by unemployment insurance are also required to report quarterly individual earnings to their State wage reporting agency.

The six study States screened, or targeted, the BEER tapes in at least one of the following two ways. First, the earnings data contained in the BEER tapes are more out-dated than those available for matching from the State wage-reporting agencies. Wages are reported annually to SSA and these data are not available until several months after the reporting year has ended. Because many current public assistance recipients will not have been beneficiaries during the year to which SSA wage data pertain, a computer

¹² Determining the relative costs and benefits of different targeting techniques requires measuring the amount of staff time involved in various targeting schemes and the subsequent results of matching activities. Perceptions on targeting were generally mixed; staff were concerned about paperwork overload and the reduction in attention paid to client needs and services, while others were interested in knowing any and all information which affected their client's case.

program is often used to screen or select from BEER only those individuals on assistance during the reporting year.

Second, several of the study States (e.g., New Jersey, Wisconsin and Illinois) used the BEER tape for only that information that is not available from the State wage reporting agency. Such information includes: (1) agricultural wages, (2) federal government and military payroll, (3) self-employment income, and (4) wages paid by out-of-State employers. These data items can be easily extracted from the BEER tape and then provided to agency staff for follow-up. Information on out-of-State workers can be further screened at the State-level using a "reasonable commute" criteria. In doing this, employers are first identified on the BEER tape by a federal employer identification number (FEIN), and then those not located within, say, a 200 mile radius of the State are screened out. This helps to target the BEER match on recipients who reside in one State, and who might be working in a bordering State.

Some States also conduct considerable screening on the information provided by the Internal Revenue Service (IRS). This tape, which contains information on over 40 different types of unearned income, is more complex than the BEER tape and requires considerable computer processing to prepare it for matching. Developing the IRS targeting process required extensive study of program policies and IRS policy and data formatting techniques. The major steps that Wisconsin followed in processing and making the IRS tape available for use by caseworkers are presented below:¹³

¹³ A less detailed IRS targeting procedure, which is used by other States, involves first checking to see if the client was on assistance during the tax year, and then allowing \$50 per year tolerance for each type of unearned income. The more detailed instructions on working with the IRS tape appear in Appendix C, Detailed Instructions to Programmers.

- (1) Identify types of income that are relevant for matching — for example, gambling winnings, interest, dividends, savings bonds and stocks and bonds.
- (2) Group income types into categories for purposes of differentiating by budget method and ability to use an interest rate to infer the value of assets generating the income flows. For example, interest income from bank accounts can easily be converted to a principle by using the prevailing interest rate, but this can not be done with stocks and bonds. Similarly, it is not possible to infer the value of an asset solely on the basis of the amount of rental income it generates.
- (3) Determine the relevance of IRS items to certain public assistance program client categories. For example, a decision must be made as to whether or not the client was in any kind of spend-down situation before coming on public assistance. This is of particular relevance for nursing home cases. A determination must also be made as to whether the client was on public assistance during the year to which IRS information pertains.
- (4) Establish tolerance levels by case category and income group.

One very important type of targeting is the setting of tolerance levels. One approach to setting tolerance levels involves having the computer calculate the amount of discrepancy between client-reported information and the information reported in an external data source that would be acceptable to the welfare department. Only those cases for which the discrepancy amount exceeds the pre-set tolerance level are then forwarded to workers for follow-up action. Alternatively, and usually less satisfactorily, a discrepancy may not be computed. Instead, the dollar figures reported in the external data source may be directly compared to a tolerance level. The actual tolerance level could then be set for each individual recipient at the point at which the cost-savings would be expected to exceed the cost of conducting the follow-up investigation. Although tolerance levels appear to be rarely set on

the basis of cost-benefit analysis, States use various less formal approaches to setting tolerances. Some States are using \$5 per month as a tolerance level, because that is the allowable difference for purposes of computing Quality Control errors. Other States have set wage tolerances at \$200 per quarter, because most clients are hourly employees and wages can vary by that amount during any given quarterly reporting period. The State of Illinois uses a field testing approach in which field staff comment on tolerance levels proposed by State officials, based on their experience in following up on the match information. Table III.3 presents examples of targetting techniques used with wage, Social Security, and Internal Revenue Service data.

D. Meeting IRS Security and Disclosure Requirements

Maintaining the security of client information and ensuring that client information is divulged only to authorized staff is a day-in and day-out concern of public assistance agencies. Computer matching adds to that agency responsibility in that tapes and other information provided to agencies by external source agencies must also be safeguarded. Data exchange agreements such as those discussed in Section B of this Chapter often specify security requirements for the data. In general, this means that tapes must be stored in locked computer tape libraries, access to which is limited to staff responsible for running the tape-to-tape comparison. The information obtained as a result of the match and subsequently used by workers in making corrections in benefit status must also be maintained in secured client case files, access to which is limited to staff responsible for conducting match follow-up and verification activities.

Table III.3
Targetting Techniques

<u>Data Source</u>	<u>Targetting Technique</u>	<u>States Using Targetting Technique</u>
SWICA	Using tolerances or levels of discrepancy between client-reported data and wage reporting agency data.	IL, NJ, SD
	Screens out wage data from employers outside of a reasonable commute to the state	NJ*
BEERS	Selects only those individuals on public assistance during the reporting year.	IL, WI, SD, UT
	Selects only information not routinely available from the state wage reporting agency.	All study states
IRS	Complex targetting procedure that screens and categorizes only relevant and useful IRS information (See text for details)	WI
	Selects only dividends or interest income data. Matches only on cases active during the past 12 months.	All study states
	Uses tolerances or levels of discrepancy between client-reported data and IRS unearned income data.	SD, WY

* New Jersey is the only state in the study that obtains data from out-of-state employers.

These standard policies on the security and confidentiality of client information have had to be significantly altered in the case of IRS data, as discussed in the remainder of this section. The IRS has strict regulations on maintaining the security of tapes provided by that agency, maintaining the security of all information reported to follow-up workers (including logs and hard copy reports used by supervisors and eligibility workers), and the way in which IRS information is disclosed to clients.¹⁴ Agencies are required to monitor and secure the tapes received from the agency, even to the point of physically watching the tapes spin, to ensure that no extra copies of the tapes are produced. (Watching the tapes spin is referred to as "babysitting" the tapes). Any and all case materials which contain information or references to the IRS are subject to the safeguarding regulations, which include specifications on the locks, keys and construction of file cabinets. Once the IRS information has been used, it must be either burned, shredded or otherwise destroyed.¹⁵

In order to comply with the IRS requirements, State and local agencies have had to undertake certain activities, which include the naming of security liaisons at both the State and local levels. The extent of further operational changes, however, will differ depending on the design features and level of automation of the computer match system. Security liaisons, at both

¹⁴ From Internal Revenue Service Publication 1075 - Tax Information Security Guidelines for Federal, State and Local Agencies, January 1986.

¹⁵ State and local staff expressed that IRS security requirements adversely affected agency operations and were in excess of already existing security policy. For a discussion of overall security policy, see subsection D.3 of this chapter. Methods for maintaining the security of files other than the IRS, although not the subject of this report, may require particular attention in the future.

the State and local levels, methods of disclosing information to clients, and the differences in meeting IRS regulations with automated and paper systems are the subject of the following sections.

1. Maintaining the Security of Matching Information

The level of staffing required to meet the IRS security requirements obviously varies from State to State. But at least one State, Wisconsin, devotes 50% of a staff member's time to manage the process necessary to comply with IRS security requirements. In Wisconsin, as in other States, the State-level security manager or security liaison is responsible for meeting IRS's monthly and annual reporting requirements and for designing the State's IRS data security plan. The security plan must meet standards set by the IRS in terms of recommended locks, keys and safes, and methods of disposal. Because States can be sanctioned for not meeting IRS requirements, the security manager is responsible for communicating information to State and local offices, and for ensuring that local agencies are in compliance. Workers can also be subject to penalties for releasing any IRS information.¹⁶ In addition, when necessary, the security manager coordinates transporting (usually by Wells Fargo or similar security firms) hard copy match information to local public assistance offices.

In compliance with the IRS requirements, each local public assistance office must also designate a person to act as security liaison. This person,

¹⁶ In one Phase III State where public assistance workers were strongly unionized, the union argued that being subjected to such potential penalties was beyond the workers normal job responsibility and, hence, they should refuse to sign the disclaimer. Those workers refusing to sign were exempted from working with the IRS data.

who is typically a local office supervisor, receives the IRS information from the State and is responsible for maintaining its security within the local office. For example, the local IRS liaison may have to purchase locks and keys (in the case of paper systems) to safeguard the information and make arrangements to burn or shred it when it is no longer needed. A worker is also needed to manage the logs and worksheets used by workers in their follow-up verification activities. Because the IRS restrictions stipulate that any paperwork which has references to the IRS information be subject to the safeguarding requirements, local agencies have had to devise certain methods for recording and maintaining information resulting from IRS matching.

2. IRS Disclosure Requirements

In addition to maintaining the security of information provided to Federal, State or local agencies by the IRS, there are also IRS policies about the manner in which IRS information can be reported from the Federal, State or local agency to the client. At the time of the Phase III site visits, there was some confusion among States as to whether or not the IRS could be identified as the source of match information and whether or not any other details about the method in which such information became available to the State or local agency could be disclosed to the client. The IRS can be cited as the source of information. The confusion seems largely attributable to the fact that until the client or third party has revealed (confirmed) to the caseworker that the asset or unearned income exists, the paperwork relating to that information remains subject to the IRS security provisions described in the introduction to this section.

The study States feel that the IRS requirements are burdensome, and that current methods of securing case files are more than adequate. However, States must ensure that data from the IRS is not identified as such, i.e. examination of the case file should not show any connection between the actual data and the IRS. Any client correspondence which connects actual data with the IRS must be safeguarded or destroyed. Only after information has been revealed to the caseworker by the client or a third party, can it be separately annotated and maintained in the case file.

In Illinois, clients are mailed letters from the State office informing them that the agency has asset or unearned income information previously unknown to the agency. Clients are asked to contact their caseworker, provide him/her with a letter reference number, and to discuss the information contained in the letter. A copy of the letter is sent to the person designated as the local security liaison. This specialized worker, responsible for maintaining the security of the letter, is the only local agency person who has access to these letters. Individual caseworkers use an "unidentified" (no reference is made to the IRS) control listing in order to monitor letters which have and have not been responded to by clients. In other States, in cases where clients have brought in the letters, but the case is still being worked by the caseworker, the letters are maintained in a pending file — a small (two-drawer) file cabinet which meets IRS regulations.

3. Note on IRS Regulations -- On-line versus Paper Systems

It should be noted that the necessary procedural changes and efforts required to meet IRS regulations are significantly different for on-line and paper computer match systems. When the State's computer matching efforts are conducted through a paper system, all client information is contained in hard-copy documents. This includes match reports on each client on which a "raw hit" has been obtained. These match reports list pertinent information on the client from both the client case file and the external data source. The State agency produces these reports, possibly in duplicate or triplicate. In addition, logs that summarize the match information may also be produced. In the case of the IRS matches, these hard copy forms must be protected while they are being transported to the local offices and while they are located in the local offices. States such as Wisconsin that lack the ability to conduct case management through an automated system and, consequently, must use a paper system find it especially cumbersome to comply with the IRS regulations. States with on-line systems, in contrast, find it much easier to comply with the IRS regulations. The major privacy and security activity for public assistance agencies in these States occurs at the State-level and focuses on securing the tapes provided by the IRS. Specifically, as previously mentioned, someone must observe the tapes spinning and make sure that the tapes are stored in a specific area of a secured tape library.

In using an on-line system to conduct IRS matches, or any other matches, it is essential that all individuals with follow-up responsibility have a security clearance in order to access the data. This access is then protected by providing each cleared worker with an individualized password. Workers are

prohibited from sharing their passwords; only the worker and the data/computer services department have access to the password. As part of the security clearance process in some States, workers must sign forms in which they attest that the information to which they have access will only be used for business purposes. Wyoming's "Request for Online Computer Access" which contains a security acknowledgement statement is included in Appendix D along with an actual description of South Dakota's technical methods and levels of security for their entire automated case-eligibility system.

E. Summary

States examined in this study exhibited different operational approaches to computer matching. Among the several areas considered during this phase of research were the data sources used in matching and the resultant need to establish agreements with the agencies that provide the external data, targeting methods (extracting only information items likely to affect eligibility and benefits), and complying with the Internal Revenue Service regulations on the use of the data, and operational responses to these topics are summarized in the following paragraphs.

Choice of External Data Sources. The data sources used in matching by the study States ranged from a conservative approach in which matching was mainly limited to those sources required by current regulations to a more aggressive approach that involve securing legislative mandates to access data and conducting matching on as many existing data bases as possible. In terms of the relative effectiveness of match data sources, the interviews from this

study generally confirmed findings from the Phase II research which suggested that unemployment insurance and earnings data were the most useful.

Difficulties with External Data Sources. Problems encountered by States in using external data sources are summarized in this chapter and in Table III.1. The problems fall into three general categories: a) the incompatibility of identifiers used by agencies to match clients; b) inconsistencies in the time period covered by the various source data information; and c) difficulties encountered by local staff in attempting to verify match information.

Establishing Source Agency Contacts. Decisions to use data beyond those commonly available often create difficulties with source agencies, which may be reluctant to release information on privacy grounds. In some cases, agencies pursuing additional data sources have had to secure legislative mandates. It is recommended by computer matching professionals, however, that public assistance agencies begin negotiating agreements with the source agency as soon as possible, even before legislative changes are finalized.

Targeting. Screening out information not considered useful in determining eligibility and benefit levels, has largely been based on common sense decisions. None of the six study States, for example, had conducted empirical research to determine the relative cost-effectiveness of screening out certain informational items and including others.

Tapes produced by the Federal government -- the Beneficiary Earnings Exchange Report (BEERS), in particular -- are typically subject to extensive screening by agencies. Extracting data for only those persons currently

receiving public assistance is one targetting approach used by States. In the case of the BEERS data, some States extract that information not available through the State's own wage reporting system, for example, data on federal government and military payrolls, self-employment income, and wages paid by out-of-state employers.

The Internal Revenue Service files present additional opportunities for States to screen out certain data elements. One targeting method assigns a \$50 tolerance per year for each type of unearned income, while more elaborate targeting methods categorize IRS income according to its relevance to various categories of public assistance clients. Both methods were described in this chapter, and the latter method is detailed in the appendix.

Tolerances, which are an important form of targeting, are used less often than directly screening out certain data items. In some cases, tolerances are set to coincide with allowable Quality Control differences. Field experience also plays a large role in setting tolerance levels. Worker input on the level of variance that leads to a change in eligibility or benefits is often used in setting tolerance levels.

Meeting IRS Security and Disclosure Requirements. The IRS has imposed rigid security requirements for handling IRS data files that many State agencies find burdensome. These requirements include the use of locks, keys, and file cabinets and the management of the logs and worksheets used by workers. States have had to dedicate up to 50% of a staff member's time to comply with IRS regulations. A security liaison often must also be assigned within each local office receiving IRS data.

IV. MANAGEMENT OF COMPUTER MATCHING

Computer matching has grown increasingly sophisticated, with many of the more routine tasks in exemplary matching systems performed electronically. Yet, as the previous two chapters have suggested, matching ultimately depends on the job performance of the many individual workers who are responsible for following up on "raw hits" generated by matching. The effectiveness of the work performed by both the computer and individuals is, in turn, a function of how well the overall system is managed. In this chapter, we discuss five important aspects of managing a computer matching system: (a) the role of managers who have overall responsibility for the matching effort, (b) providing necessary guidance to those staff responsible for following up on "raw hits", (c) motivating and monitoring the work of these persons, (d) management techniques for obtaining information on the performance of computer matching systems, and (e) the role of the quality control process in computer matching. Discussion on the question of timing, or when to actually conduct matching, combines the previous chapter's discussion on the use of external data sources, with the management question of when to devote resources to matching. Timing issues are discussed in the final section of this chapter.

A. The Computer Matching Coordinator

Several of the States we visited — for example, Illinois, New Jersey and South Dakota — had a permanent designated matching coordinator at the State level. This person is responsible for ensuring that the State's computer

matching system does not become technologically obsolete and that appropriate adjustments are made in the system as changes occur in the environmental context in which matching takes place.¹⁷ For example, improvements in computer technology, changes in the policies and procedures used in administering public assistance programs, new staffing patterns within the public assistance agency, reductions in funding levels, and policy adjustments by one of the agencies providing external source data for matching all require modifications in a State's existing computer matching system.

A State's computer matching coordinator may also have a second important role: ensuring that follow-up investigations of reasonable quality are conducted on the raw hits resulting from computer matches. To help perform this task, computer matching coordinators may be designated within individual local public assistance offices, as well as at the State-level. This, in fact, has been done in both Illinois and New Jersey. The tools that these matching coordinators actually use in monitoring follow-up investigations are discussed in Sections C and D of this chapter.

B. Technical Guidance for Workers

As computer matching becomes more and more sophisticated, staff development and training plays an increasingly important role. States have developed unique methods of communicating policy and technical information to

¹⁷ The recommended background and qualifications of these individuals are discussed in Chapter 2 under the section, Allocation of the Matching Workload.

local staff, methods that may also provide feedback on matching from local staff to the State-level, as discussed in this section.

With the implementation of the IEVS regulations and, in some cases, new automated case management/eligibility systems, most of the study States have found it necessary to train or re-train their local public assistance staff. Most of this training involved staggered sessions in which small groups of supervisors and workers were brought to one central location. IEVS training necessarily included a description of policy changes, sessions on interpreting information provided by the matches, and discussion of the time frames for taking action on the matches and procedures for maintaining the security of the external data used in the matches, especially the IRS data. Workers using a new automated case management/eligibility system for the first time required especially extensive training. Depending on the type of automated system involved, such training may cover any or all of the following: keyboard operation, system equipment, security, and passwords. If workers will be keying in applicant or recipient information while conducting interviews, they will need to be trained to perform that task. Since the automated systems examined in this study were usually used to perform many different case management functions, including computer matching, caseworkers needed to be trained in using computers to conduct all these various activities.

Although formal training sessions are critical, it is also important to continually provide updates for local staff. One way this can be done, as State systems become more automated, is to "broadcast" messages to all staff or to individual workers via computer "mailboxes". In addition, States that have access to university or other local television programming studios can produce periodic informational sessions in a television format that can then

be transmitted to local offices. The "Electronic Training Network", which uses University of Wisconsin based radio transmitting facilities, broadcasts training and updating sessions to local facilities in the State. Each local facility, called a "listening station" is equipped with microphones which allow for local questions and answers during the training session.

A particularly interesting technique for communicating policy changes to workers are the Paper Chase memos designed by the managers of the Milwaukee County, WI Social Services office. When information or communication memos are needed this "quality control/training bulletin for the Financial Assistance Programs" is sent to workers. These memos attempt to present the information in an interesting, highly "readable format" and are printed on bright yellow paper. The memos are not considered to be substitutes for material in the policy manuals. Indeed they include a reference to the appropriate citation in the policy manual. Appendix E contains copies of two Paper Chase memos concerning the IEVS regulations.

A State-level person who is knowledgeable in both program policies and computer procedures and who can effectively communicate that information in responding to the questions of local staff is invaluable, especially during times when technology or policy have undergone major changes. Wisconsin uses so-called "wizards" to help local staff understand program policies, including those concerning computer matches. The State of Wyoming, which imported the concept from North Dakota, employs a full time staff member at a "Help Desk" in the State office who answers both "machine" questions and policy questions. In addition, like the Wisconsin wizards, she communicates problems that local staff are having to other State-level staff members. The benefits of wizards and Help Desks are magnified when there is high turnover among caseworker

staff. The person staffing Wyoming's "Help Desk" is a former eligibility worker with some supervisory experience. She assisted with Wyoming's conversion to an automated case management system and has a good understanding of both present and former program policy.

In developing State policy, the input of local field staff can be invaluable. Thus, the State of Wisconsin used a survey to gain insight into worker perspectives concerning computer matching. This survey, which was called the IEVS Impact Survey, was sent to each eligibility worker in the State. The survey instrument addressed the following topics:

- o The percentage of matches containing incorrect information
- o The ability of workers to comply with the timeframe required by the IEVS regulations
- o The added workload created by the IEVS regulations
- o The percentage of matches resulting in benefit reductions, increases and discontinuances
- o Suggestions and comments for improvement of certain computer matching procedures

The results of this survey are included in Appendix F of this report. Table IV.1 describes the types of technical guidance related to matching that are provided by each of the study states.

C. Motivating and Monitoring the Follow-up Effort

If computer matching is to succeed, it is obvious that "raw hits" must be effectively worked. This, in turn, depends on both motivating the workers responsible for follow-up tasks and monitoring how well these workers actually perform their assigned tasks. These two issues will be discussed in turn.

Table IV.1
Technical Guidance for Workers

<u>Type of Guidance</u>	<u>Function</u>	<u>State</u>
Training	Periodic staff training for local staff covers new matching techniques, security, and data source problems.	All study state
Help Desks	State staff are available to answer policy and technical questions, via telephone, from all staff	SD, WI, WY,
Newletters	Memos, in newsletter form, discuss day-to-day matching problems, describes solutions to problems, and cross-references the discussion to the policy manual.	WI*
Video Terminal Message System	A broadcast and inquiry system for communication between state and local offices.	IL, WI, WY
Training Manuals	Extensive, detailed training manual covering eligibility determination, benefit authorizations, security, etc.	IL, WY

* Milwaukee only

If the workers responsible for following-up on raw hits generated by computer matching have little confidence in the usefulness of this work, they are unlikely to do as thorough a job as possible. Thus, it is essential that those in leadership positions within public assistance agencies stress the importance of follow-up work. Moreover, it is helpful if workers performing follow-up tasks receive information on the cost-effectiveness of computer matching whenever such information exists. In addition, it is important that these workers be informed as to the ultimate disposition of those cases on which they have discovered an error. Workers will, of course, usually know if a grant reduction or discontinuation occurs for a case they have worked. But they may not know if overpayments they have documented are ever repaid or if a successful fraud prosecution takes place. This situation is especially likely to occur in large public assistance offices in major cities.

A number of techniques for monitoring how well workers perform their assigned follow-up duties were observed in the study States.

Many computer matching systems (e.g. Illinois and New Jersey) provide logs to supervisors that list the raw hits for which the workers under their supervision are responsible. The supervisor can use these logs, which may appear as either computer printouts or computer terminal displays, to maintain a record of the action taken on each raw hit. Thus, the supervisor can determine whether each raw hit is followed up within a reasonable length of time. The supervisor can also draw a random sample of cases from those listed on the log, and then examine the sampled cases in detail to see if proper follow-up procedures were used.

Second, in several of the local offices that we visited, supervisors used desk-top personal computers to monitor computer matching follow-up

activity. In the public assistance office in Rawlins, Wyoming, for example, the office manager used a personal computer. In Burlington County, New Jersey, the supervisor of a match unit also used a personal computer to maintain similar statistics.

Third, in some States, (e.g. South Dakota) supervisors are required to conduct monthly case audits. The supervisors select cases for these audits by drawing samples from the caseloads of the workers under their supervision. Since some of the sampled cases will have been hit during computer matches, these audits provide a mechanism for ensuring that follow-up work is being properly conducted.

Fourth, Quality Control (QC) reviews also provide a check on whether workers are adequately following through on raw hits resulting from computer matching. In Wyoming, for example, the QC staff have an explicit policy that any errors discovered during a QC review that could have been prevented by proper use of computer match information will be designated as agency errors, rather than as client errors, even if the client has intentionally misled the agency. This policy provides an obvious incentive to thoroughly utilize available information from computer matches.¹⁸

Fifth, in New Jersey, a roving study team, which consists of four former QC reviewers, provides in-depth examinations of the follow-up work performed at individual local public assistance offices within the State. Somewhat similarly, the public assistance office in Milwaukee County has an in-house quality control unit that devotes explicit staff time to monitoring that County's computer matching follow-up effort.

¹⁸ Further discussion on the role of the QC process in matching is presented in Section E of this chapter.

Finally, many matching systems require workers to report on the results of each follow-up investigation they conduct. Several alternative mechanisms are used for doing this. For example, in South Dakota and Wyoming, workers key code numbers into the State's computer via their terminals. These code numbers indicate the results of follow-up investigations they have conducted. In New Jersey, workers code the results of each follow-up investigation onto a tear-off stub, which is attached to a hard copy match report on the raw hit. The stub is then sent to Trenton, the State capital, where the information is keyed into the State's computer system. The information that workers in South Dakota, Wyoming, and New Jersey provide on the results of their follow-up efforts is not only useful to their immediate supervisors, but is also used at the State-level to generate summary reports. These summary reports are discussed in the next section.

D. Management Information on the Results of Matching

It is obviously important that State-level managers receive information on the effectiveness of a State's computer matching system. By learning what works and what does not, corrective actions can be taken if necessary. One way some of the relevant information can be obtained is through frequent telephone or in-person conversations between State matching coordinators, or other State-level officials, and their local office counterparts. A second mechanism is through reports containing summary statistics on matching outcomes.¹⁹

¹⁹ A copy of the worker verification summary from South Dakota is included in Appendix G of this report.

As indicated in the previous section, computer matching summary reports largely depend on data provided by local office workers on the outcomes of follow-up investigations. Consequently, such reports are only as accurate as the information supplied by local office staff. Therefore, it is important that local office workers be given clear instruction on the importance of the information they are providing and on what it is that they are actually supposed to report. For example, care must be exercised to ensure that computer matching is not credited with grant reductions and discontinuances that occur for other reasons.

Although all the States we visited produced summary reports on computer matching, these reports varied considerably from one State to another. Among the informational items that were included in one State or another are the following:

- o the number of raw hits generated by matching,
- o the number of raw hits on which follow-up investigations have been conducted,
- o the frequency distribution of the days required to complete these follow-up investigations,
- o the number of cases on which grants were adjusted and the dollar values involved,
- o the number of cases discontinued and the dollar values involved,
- o the number of cases for which previously received overpayments were uncovered and the dollar values involved,
- o the number of cases on which a fraud referral was made, and,
- o the number of cases for which no action resulted as a consequence of the follow-up investigation and the reasons why.

This information can be broken down by assistance program (Food Stamps, AFDC, and Medicaid), recipient type (Food Stamps only, AFDC only, Food Stamps

and AFDC), type of external source data (quarterly earnings data, SSA earnings data, unemployment compensation data, IRS data, etc.), and by local office. Breakdowns by type of external source data are useful in determining which data sources are providing the most useful information for matching. Breakdowns by local office help pinpoint those offices that are performing their follow-up responsibilities exceptionally well or poorly. The first group of offices may be using exemplary practices that can be communicated to and adopted by other local offices. In the case of the poorly performing offices, corrective actions may have to be taken.

Wage matching statistics can also be broken down by individual worker. This information is most useful to local office supervisors who can use it to help determine who is doing an inadequate job of following up on raw hits. For example, if one specific worker uncovers many fewer dollars of overpayments than most other workers, that worker may need some additional guidance or discipline in performing his or her follow-up responsibilities.

In our site visits, we encountered situations in which data on the time inputs required by follow-up investigations was routinely collected. In Wyoming, the State office routinely maintained a "No Disposition Report", in which the computer generated statistics on the amount of time which had passed since workers had first received match data. These data were broken down by field office, data source, month in which discrepancy occurred and the discrepancy amount for each program.

Similarly, South Dakota routinely collected rough data on the time workers spent in conducting follow-up investigations. This was accomplished by simply having workers use their terminals at the end of each follow-up investigation to key time values into the State's computer. Refinements in these data can

be used to obtain a measure of the personnel costs associated with matching. Personnel cost measure can then be used to develop approximate cost-effectiveness estimates by comparing it to measures of the cost-savings resulting from various types of computer matches. The two types of time measurement data are presented in Appendix H. Table IV.2 describes the techniques for monitoring matching that are used in the study states.

E. The Role of the Quality Control (QC) Process

Computer matching not only directly affects the administration of the FSP (and other assistance programs), it may also impact upon the quality control process. The very existence of computer matching provides QC reviewers with easy access to pertinent data that can be used for verification. Although QC reviewers have always been able to obtain most of the information now provided by computer matches, it sometimes required considerable time and effort. While computer matching may facilitate quality control reviews, the QC reviews themselves may also help maintain the integrity of matching systems. Beyond supervisory reviews of worker activities, the QC process is the final check to ensure that the raw hits generated by matching are properly followed up. It is advisable that QC reviewers be instructed to use and coordinate with computer matching systems whenever possible.

However, the precise relationship between computer matching and FSP error rates is still ambiguous. One possibility is that if local eligibility workers are inundated with output, data and computer matching responsibilities, the potential for committing errors is increased. On the other hand, though it is possible that because eligibility workers have access

Table IV.2
Monitoring Worker Performance

<u>Technique</u>	<u>State</u>
Logs of hits provided to supervisors	SD, WY
Maintenance of follow-up statistics	IL, NJ, WI, WY
Case audits	NJ, SD
Site visits by state staff	NJ, UT
Required reporting of outcomes	IL, NJ, WY, SD
Reports on overdue listings	IL, SD, WY

— and, increasingly, this access is on-line — to data that can be used to validate client-reported information, error rates will diminish.

Regardless of the effect of computer matching on error rates, there are some reporting issues that should be resolved. For example, if an error occurs because a client deliberately misreports information and the eligibility worker had sufficient computer match information to detect it but failed to do so, should the error be counted as a client error or an agency error? Wyoming charges these types of error to the agency; others attribute them to the client. Similarly, if States, in an effort to reduce the amount of paper sent to field staff, choose to target certain data or use tolerance levels, will the State be responsible for errors that might have been detected if all information (rather than just the targeted information) had been sent to the local office?

F. Time Issues

There are two sets of what might be termed "time issues" associated with computer matching (in addition to the computer lag problem). The first stems from the IEVS rule that, at the time of our site visits, specified that follow-up action on raw hits be completed within 30 days after the hit is initially generated. This rule has been recently modified to permit 45 days for the completion of follow-up work on raw hits. The second set of issues concerns the timing of matching; that is, when the match on each external data source and the resulting follow-up investigation will actually take place. Each of these issues is discussed in turn.

1. Follow-up Period

In the States we visited, the time limitation on completing follow-up work did not seem to be a serious problem at either the State-level or the local-level. A major reason for this is that the IEVS rules allow the completion of follow-up activities to exceed the time limit on up to 20 percent of all raw hits. Follow-up action on many raw hits can be completed relatively quickly; after a brief preliminary investigation, it often becomes apparent, even without obtaining collateral information, that an error does not exist. For example, because of erroneous social security numbers, information reported in a match may not actually pertain to a client. There are, of course, situations where requested collateral information is not received within the allowed time limit. The third and fourth columns in Table III.1 on page 39 describes the potential delays which can occur in follow-up and verification activities.

South Dakota provides an interesting example of how the time limitation rule can be made an integral part of a computer matching system. In that State, each eligibility worker is assigned an individual computer terminal. An eligibility worker is informed on-line when a raw hit occurs for one of his or her cases. The video display on the new raw hit initially indicates that the worker has 45 days to complete follow-up action. Each day, this "calendar-count" amount is reduced by one. The count amount stops shrinking only when the worker keys a code into the computer that indicates the final disposition of the case. If this takes longer than 45 days, the value of the calendar-count becomes negative. Thus, at any point in time, management can readily determine how many follow-up actions have not been completed within

the allowed time limit, and exactly who is responsible for follow-up on these cases.

2. Timing of the Match

A second time issue for management concerns when matches will be conducted by staff. There are three major alternatives: (1) as soon as each type of external source data becomes available, (2) at initial application and certification, using source data that are as current as possible; (3) at recertification, using source data that are as current as possible. The first alternative has the obvious advantage of helping to minimize the time lag problem. A major advantage of the second and third alternatives is that they allow follow-up activities to be integrated into procedures routinely carried out by local offices. Unlike the first of the alternatives listed above, matching at certification and recertification are not disruptive to normal work flows. They simply provide additional information to workers responsible for performing certifications and recertifications. In addition, matching at initial certification will, if successful, serve as a fraud prevention technique.

The existence of expedited services, the sophistication of the computer software used for the match, and the choice of who in an agency is responsible for various follow-up activities can all play an important role in the timing of matching. Of particular interest to Food Stamp agencies is the fact that when Food Stamps need to be issued in emergency (expedited) cases, staff generally will only be able to conduct matching before initial certification if direct on-line access to the data source is available. Clearly then, the method of technical access (discussed in the Phase I and II reports) will play

a part in the timing of the match. On-line direct access to a data source will yield the quickest access to the most recent data. Batch processing of the match can generally be conducted on a weekly, monthly, or quarterly basis. Another time issue to be considered when examining matching, is the method of entering information into the automated eligibility system. When matching is conducted at initial certification and the State is equipped with an automated eligibility system, the client information may be entered directly during the interview (referred to as an on-line interview) or it can be done by a data processing clerk at some other time.

G. Summary

Previous chapters have discussed the system design and operational facets of computer matching. However, computer matching is ultimately dependent on the job performance of the many individual workers responsible for following up on "raw hits" generated by matching. This highlights the need for management strategies that provide appropriate guidance and motivation and that monitor the work performed by individual workers. The more important and creative strategies employed by the six study States were presented in this chapter and are summarized below.

The Computer Matching Coordinator. States can designate a permanent matching coordinator responsible for ensuring that the system in place does not become technologically obsolete and that appropriate responses are made when changes to the environment in which matching is conducted occur. Such changes include, but are not limited to, funding adjustments, new staffing

patterns, and policy modifications. An equally important role for the coordinator is to ensure the quality of the follow-up effort. In some States, the computer matching coordinator is supported by a coordinating counterpart at the local-level who is responsible for the follow-up efforts of local office workers.

Technical Guidance for Workers. States have instituted various methods for training workers. These include staggered training sessions for supervisors and workers, which are held in one central location, and less formal methods for providing continuous technical guidance for workers. In States with automated systems, the State can "broadcast" messages to local staff via computer terminals. States can also take advantage of university or other local programming studios to produce periodic informational sessions in a television format that can then be transmitted to local offices. One city (Milwaukee) instituted "Paper Chase" memos to present training information in an interesting, highly readable format. Copies of these memos, which are printed on bright yellow paper, are provided in Appendix E of this report. A "Help-desk" or policy "wizard" is often a useful contact for local staff seeking policy clarification or help when system problems occur. The importance of obtaining feedback on the experiences of local field staff with matching cannot be underestimated, and can be captured by periodic surveys undertaken by the State office.

Motivating and Monitoring the Follow-Up Effort. The success of computer matching depends in large part on the follow-up efforts of local workers. Various techniques techniques for monitoring how well workers perform their

assigned follow-up duties are discussed in this chapter. For example, supervisory logs, in the form of computer print-outs or computer terminal displays, can be used to maintain a record of the "raw hits" received and the action taken by workers in the follow-up effort. Supervisors can also make use of desk-top personal computers to monitor computer matching follow-up activity. Monthly case audits and quality control reviews are yet additional methods used to monitor the follow-up effort. Finally, a roving study team can be instituted to perform in-depth examinations of the follow-up work performed at the local level.

Management Information on the Results of Matching. Data on the results of matching can be aggregated to provide useful information to management. Informational items can be separated by type of assistance program, recipient type, type of external source data, and by local office or worker. This information can in turn be used to isolate practices — for example, those found at a specific local office — that may be either particularly exemplary or that may be in need of particular attention.

V. IMPLICATIONS

The preceding chapters provide information about various aspects of computer matching in the Food Stamp Program, focusing particularly on exemplary practices in the study States. The primary intent of this phase of the Food Stamp Program Operations Study is to identify potentially effective features of computer matching that can help guide federal and State program decisions. This chapter summarizes the major points by discussing the implications for federal and State program decisions.

A. Federal Policy and Direction

1. Recognition of Program and Functional Integration

A critical contextual dimension is that at the State and local level the computer matching activities for the FSP are almost entirely integrated with matching activities for other assistance programs, especially AFDC. This integration is particularly evident in the States that are the most technologically sophisticated, including all the States included in this phase of the study. Exemplary features of computer matching systems for the FSP are not separable from those for other programs administered by State human service agencies.

Similarly, computer matching functions are not easily separable from other programmatic functions, especially (1) regular intake, certification and case management activities; and (2) investigation, fraud and claims activities. In States that are highly automated as well as those less automated, computer matching is increasingly integrated with regular certification functions, data

systems for certification/case management and computer matching are linked, and information is recorded in regular hard copy case records. States at the forefront of computer matching have typically designated a coordinator responsible for both actual matching and follow-up functions.

Given the high degree of program integration, several State and local respondents discussed the need for increased coordination in regulations across federal programs. For example, in general, State administrators and staff interviewed are pleased with the federal role in computer matching, but did express concern about federal regulations on matching and fraud. Regulations in these areas have changed rapidly over the past several years, and State agencies have had to make continual adjustments, with little time allowed for "field testing" the programming changes. Similarly, programming activities are very difficult when regulations for FSP, AFDC and Medicaid differ even in minor ways. The overall trend toward increased automation for all case processing functions, as well as for all programs within the State Human Service Agency, makes it increasingly important that federal policy makers in different agencies understand the functional and programmatic interactions and the costs of instituting policy changes.

2. IEVS Regulations

It is clear that for many States, the IEVS policies have contributed to tremendous technological advancements. Most of the individuals interviewed are supportive of the basic concept of computer matching, believing that it does prevent some individuals from receiving benefits to which they are not entitled, hence improving program integrity. The States visited appear to

have made good faith efforts, and considerable progress, towards meeting the IEVS requirements.

However, serious concerns were raised in two areas related to IEVS. First, the privacy requirements associated with using IRS data are costly and burdensome, especially in States that have some manual transfer of paper output. Second, there is general consensus that the number of different matches required by federal regulations are excessive. State wage records and Social Security earnings files are somewhat duplicative; IRS assets and other income information are not easily interpretable for determining FSP eligibility.

Thus, although States generally feel positive about matching, these specific detailed IEVS provisions are considered burdensome and excessive, detracting from positive benefits that might result from other matching activities.

3. Computer Matching and Quality Control Provisions

Computer matching provides easy access to pertinent data that can be used by both eligibility and QC staff. QC reviews can be an important tool in maintaining the integrity of computer matching systems, in that it is the final check to ensure that raw hits generated by matching are properly followed up on. Because of this, it is advisable that QC reviewers are trained to use and coordinate with computer matching systems whenever possible.

An important unresolved issue in computer matching is the precise relationship between computer matching and the FSP error rate. While computer matching may actually increase the potential for errors as workers are

inundated with computer matching output and data, it may at the same time contribute to a reduction in the error rate as workers have greater access to data that can be used to validate client reported information.

4. Interstate Exchange of Knowledge

It is clear from the three phases of this study that State Human Service Agencies participate in a well-functioning, informal communication network through which much information about computer matching and automated certification/case management systems is exchanged. State officials and staff interviewed in this phase, though would welcome more technical assistance by the federal agencies (FNS and HHS) in the form of sponsored conferences, workshops and clearinghouses. The technology and program regulations change rapidly, and even the most active States feel that more communication is essential. For example, FNS could provide potentially valuable technical assistance in the area of targetting; States realize that targetting is necessary, for at least efficiency reasons, but policies are developing on a rather ad hoc basis with little empirical evidence to support decisions being made.

B. State Policies and Practices

Throughout this report, numerous examples of potentially effective management practices have been presented. A few of the more useful practices are highlighted here.

Technical Personnel

The effectiveness of computer matching depends critically on the effective use of technical personnel. It is a mistake to think that simply adopting an automated system will solve all verification problems. It is very easy for a State agency to be overwhelmed by a sophisticated automated system. It is important that States consider both their agency needs for data management and their internal technical capacity when deciding which types of computer matching systems to use. Exemplary States designate computer matching coordinators at the State level and specialized workers or units at the local level who remain current on computer matching details. Even if external computer contractors are employed for system design or software adaptation, it is still important to maintain in-house computer and systems professionals to facilitate efficient reprogramming and modifications.

Targetting Policies

Targetting policies and mechanisms are important if the benefits of computer matching are to be maximized. As computer matching becomes more common, agencies are facing a tremendous amount of data and staff are at risk of facing a situation of information overload. Programming the computer to effectively screen out information items which are least cost-effective, is increasingly being used by States. Although this aspect of computer matching is still developmental, States should continue to examine and develop alternative ways to reduce the amount of information staff have to review while maintaining the positive benefits that can result from matching.

Staff Development and Training

Development of local staff capabilities is essential if computer matching is to become an integral part of the FSP. Several innovative approaches are being used to train local staff on automated systems and on how to integrate computer matching into regular case management activities, including: (1) integrated training on automated systems that addresses both certification and computer matching potential, (2) closed-circuit television and radio networks that provide programs to local staff on policy and technological updates, (3) using computer mail features to broadcast policy messages to staff as well as case action messages for specific staff, (4) Help Desks and "wizards" at the State level where computer specialists can be contacted directly by local staff on a daily basis, (5) informal policy and procedural memos in a newsletter format, and (6) formal solicitation of input from local staff (as well as supervisors) on system design and procedures regarding computer matching.

Ongoing Management and Monitoring

Computer matching can be designed and used to contribute to the ongoing management and monitoring of the FSP and other assistance programs, while at the same time increasing the integrity of computer matching. For example, computer matching logs can be used for tracking individual cases as well as monitoring the workload of individual workers; and QC staff can include examination of follow-up activities as part of the regular QC review to emphasize the importance of this part of computer matching.

Thus, although no one State has been identified as being exemplary in all aspects of computer matching, it is clear that many States are making major

contributions to the ongoing development of knowledge and expertise. Computer technology has permanently transformed the nature of work in State agencies. Computer matching is now approaching the second phase of development, where the States that are in the forefront are beginning to address how to best use, or channel, the technology rather than be placed in a situation where the technology and information proceed uncontrolled. The challenge is to maintain an integrated automated system for both case management/certification and information verification that can be modified by in-house professionals to maximize the use of information resources and avoid obsolescence.

APPENDIX A
TOPIC AREAS FOR PHASE III INTERVIEWS

I. Staffing

- A. Use of consultants in system development
- B. Are there staff specialists for Computer Matching?
- C. Documentation of procedures for staff conducting verification
- D. Training for staff conducting verification
- E. Who is responsible for various verification tasks?
(fraud unit personnel vs regular line workers)

II. Targeting

- A. Identifiers used for initial match
- B. Problems with Type I and Type II errors
- C. Use of tolerance levels
- D. Other screening devices for a manageable workload
- E. Manual screening vs screening by computer
[could further use be made of computer to save time?]
- F. Segment of caseload covered by match (e.g. active vs inactive, AFDC-FS vs FS only)

III. Privacy and Security Issues

- A. Specific problems with IRS data
- B. Specific measures to protect client confidentiality
- C. Any legal actions brought against state and/or county
- D. Any specific incidents

IV. Technical Specifications

- A. Computer software
- B. Types of terminals, hardware used
- C. Extent to which client data base computerized
- D. Quality of information client data base
- E. Form in which information on raw hit is provided (e.g., on-line vs hard copy)
- F. Type of information provided on raw hits to field staff

V. Site Characteristics

- A. Brief overview of conditions in state (caseload size, state legal restrictions on matching, etc.)

VI. General Overview of Computer Matching Activities in State

- A. CM developments after census and survey

VII. Document Entire Matching Process

- A. Flowchart of matching process
- B. Timing of the matches
 - 1. Monthly vs. quarterly matching
- C. Management of information flow
- D. Reporting statistical information, forms developed to monitor progress
- E. Coordination with other assistance programs
- F. Relationship to claims and recoupment processes

VIII. Data Sources

- A. Establishing contacts with data source agencies
- B. Differences between ES and SSA wages
- C. Data base management and coordination
- D. Quality of various data bases used for CM
- E. Timeliness of various data bases used for CM
- F. Interstate matching

IX. Verification of Raw Hits

- A. Procedures actually followed
- B. Initial information field staff would like on raw hits
- C. Quality of information on raw hits from field staff perspective
- D. Obstacles and impediments to completing verifications
- E. Incentives and disincentives facing staff responsible for verification, competing priorities
- F. Feedback on case disposition received by staff responsible for verification
- G. Use of any special innovative practices

X. Policy Recommendations

- A. Regulatory changes
 - 1. Timeframe for follow-up
- B. Changes to be made by the federal government to improve CM
- C. Funding bottlenecks (would highly targeted federal funds lead to major improvements?)

XI. Obstacles Encountered in Matching

- A. Difficulties in getting innovative ideas implemented

XII. Cost and Benefits

- A. Estimates of developmental costs
- B. Estimates of ongoing costs
- C. Available data on benefit measures

XIII. Other

- A. IEVS implementation status
- B. Effects of matching on QC error rate
- C. Tailoring systems for specific populations

XIV. Plans for Expanding or Further Refinement of Computer Matching Systems.

APPENDIX B
TIME LAGS AND TIME PERIOD AGGREGATION PROBLEMS

The issue of timeliness of match information, as briefly mentioned in Chapters 2 and 4 is presented in greater detail here.

There are certain constraints in matching that result from deficiencies in the external source data that are used. Perhaps, the most frequently voiced complaint that we heard during our site visits is that much of the external source data used in matching are out-dated by the time they become available for matching. A closely related problem is that much of the external source data are received in a form that does not correspond very well to the monthly accounting period used to determine assistance program benefits. We shall refer to these two related shortcomings of external source data as the "time lag" and "time aggregation" problems.

The time lag and time aggregation problems most serious for earnings data that are reported by employers to state agencies and then used for matching. These data are usually aggregated over a calendar quarter. Moreover, they are generally not available for matching until two or three months after the end of the calendar quarter, and sometimes considerably longer. Thus, follow-up investigations cannot be initiated until these data are, at best, between two and five months old. The time lag and time aggregation problems are most serious for earnings data received from Social Security Administration and information on income from assets received from the Internal Revenue Service. These data are aggregated over an entire calendar year and are typically not available for matching until late in the subsequent year.

Although time lags can be shortened somewhat by implementing on-line, paperless computer matching systems, we really did not uncover any innovative techniques for mitigating or eliminating the time lag and time aggregation problems, and indeed, none may exist. Thus, we simply list here some of the difficulties that result from these problems. First, and most obviously, the time lag problem means that overpayments may continue for some time before they are discovered, and during this interim, considerable revenue may be lost.

Second, both the time lag and time aggregation problems make direct comparisons between client-reported data and external source data difficult. One reason for this is that while automated case files contain recently received client-reported data, they may not contain client-reported data that correspond to the older time period covered by the external source data. This difficulty can be largely overcome by well designed software. But even the most sophisticated software cannot provide an accurate comparison if a client's income fluctuated during the time interval covered by the external source data or if the client received assistance during only part of this interval. For example, if externally reported earnings data cover a three month period, there is no way of telling from these data whether a client worked during all three of the covered months or during only one of the three months. Yet, this information, which can only be obtained by making a collateral contact with the client's employer, is key to determining the benefit amount for which the client was eligible during each month.

A third difficulty is that, because of time lags, overpayments may have occurred subsequent to the period covered by the external source data. The only way to determine this is to update the external source data by directly contacting the employer or financial institution that originally provided the data.

APPENDIX C
DETAILED INSTRUCTIONS TO PROGRAMMERS

A. Income Types

The IRS identifies several types of unearned income. See Table 1 for a listing of all unearned income types. For match purposes only twenty (20) income types have been selected. The selected types are identified by a "Y" in the Selection code field.

TABLE 1 - Unearned Income Types

CODE	POSITION	DESCRIPTION	ACT	SELECT CODE
01	371-382	GROSS WINNINGS	GRV	Y
02	383-394	DISTRIBUTIVE SHARES	DSH	Y
03	395-406	INTEREST	INT	Y
04	407-418	DIVIDENDS	DIV	Y
05	419-430	PATRONAGE DIVIDENDS	---	N
06	431-442	NON-PATRONAGE DIVIDENDS	---	N
07	443-454	PER-UNIT RETAIN ALLOCATIONS	---	N
08	455-466	REDEMPTION OF NON-QUALIFIED RETAIN ALLOC	---	N
09	467-502	RESERVED - Not Used	---	N
10	503-514	UNEMPLOYMENT COMPENSATION	UNC	Y
11	515-526	PRIOR YEAR REFUND	PTR	Y
12	527-538	DISCHARGE OF INDEBTEDNESS	---	N
13	539-550	TAXABLE GRANT	---	N
14	551-562	AGRICULTURAL SUBSIDIES	ACS	Y
15	563-574	CAPITAL GAINS	CAP	Y
16	575-586	NON-TAXABLE DISTRIBUTIONS	---	N
17	587-598	CASH LIQUIDATION DISTRIBUTIONS	---	N
18	599-610	NON-CASH LIQUIDATION DISTRIBUTIONS	---	N
19	611-622	QUALIFYING DIVIDENDS	---	N
20	623-634	NON-QUALIFYING DIVIDENDS	---	N
21	635-646	ADDITIONAL WINNINGS FROM IDENTICAL WATER	AWW	Y
22	647-658	SAVINGS BONDS	USB	Y
23	659-670	INTEREST FORFEITURE	---	N
24	671-682	SUBSTITUTE PAYMENTS	---	N
25	683-694	STOCKS & BONDS	S&B	Y
26	695-706	BARTERING	---	N
27	707-718	AGGREGATE PROFIT & LOSS	---	N
28	719-730	PROFIT & LOSS LAST HALF OF 1986	---	N
29	731-742	UNREALIZED P&L ON OPEN CONTRACTS - 1985	---	N
30	743-754	UNREALIZED P&L ON OPEN CONTRACTS - 1986	---	N
31	755-766	RENTS	REN	Y
32	767-778	ROYALTIES	ROY	Y
33	779-790	PRIZES AND AWARDS	P&A	Y
34	791-802	EXCESS GOLDEN PARACHUTES	---	N
35	803-814	IRA DISTRIBUTION	IRD	Y
36	815-826	EMPLOYEE CONTRIBUTIONS	---	N
37	827-838	ORIGINAL ISSUE DISCOUNT	OLD	Y
38	839-850	ORDINARY INCOME	ORD	Y
39	851-862	GROSS INCOME	---	N
40	863-874	UNREALIZED APPRECIATION	---	N
41	875-886	OTHER INCOME	---	N
42	887-898	IRA / SEP CONTRIBUTION TT 86	ISC	Y
43	899-910	ROLLOVER IRA / SEP CONTRIBUTION	ROL	Y
44	911-922	IRA / SEP CONTRIBUTION TT 85 IF 86	ISP	Y

B. Income Type Groups

For match purposes the following five (5) Income Type Groups have been established:

- Group 1. Income Reflecting Assets at an Unknown Rate
- Group 2. Income Budgeted as Assets (including interest reflecting assets)
- Group 3. Income Budgeted as Unearned Income in the Month Received
- Group 4. Assets Reflected by Interest
- Group 5. Income Budgeted as Assets (not including interest reflecting assets)

The twenty selected income types have been categorized into five income type groups. The table below shows Income Types by Income Type Groups:

Table 2 - Income Types by Income Type Groups

LOCATION	ABV	INCOME TYPE	INCOME TYPE GROUP				
			1	2	3	4	5
371-382	GRW	Gross Winnings		X			X
383-394	DSH	Distributive Shares	X				
395-406	INT	Interest		X		X	
407-418	DIV	Dividends	X				
503-514	UNC	Unemployment Compensation			X		
515-526	PYR	Prior Year Refund		X			X
551-562	AGS	Agricultural Subsidies		X			X
563-574	CAP	Capital Gains			X		
635-646	AWW	Additional Winnings/Wager		X			X
647-658	USB	Savings Bonds		X			X
683-694	S&B	Stocks and Bonds		X			X
755-766	REN	Rents	X				
767-778	ROY	Royalties		X			X
779-790	P&A	Prizes and Awards		X			X
803-814	IRD	IRA Distribution	X				
827-838	OID	Original Issue Discount	X				
839-850	ORD	Ordinary Income		X			X
887-898	ISC	IRA/SEP Contributions TY 86	X				
899-910	ROL	Rollover IRA/SEP Contributions		X			X
911-922	ISP	IRA/SEP Contrib TY85 in 86	X				

C. Case Category

For match purposes IMP cases have been broken down into four categories as follows:

1. Nursing home cases that were open in IRS year.
2. Nursing home cases that were closed in IRS year
3. Non-nursing home cases that were open in IRS year
4. Non-nursing home cases that were closed in IRS year

D. Tolerance Levels

In order to reduce the number of matches and make matches more meaningful, tolerance levels were established for each Case Category Income Type Group. The Table below shows current established tolerance levels:

Table 3 - Tolerance Levels By Case Category Income Type Group

NO CASE CATEGORY	* * * INCOME TYPE GROUP * * *				
	1	2	3	4	5
1. Nursing Home - Open	\$0	NA	\$5000	\$4000	\$4000
2. Nursing Home - Not Open	0	NA	10000	7000	7000
3. Non-Nursing Home - Open	0	1000	550	NA	NA
4. Non-Nursing Home - Not Open	0	5000	NA	NA	NA

APPENDIX D
SECURITY MEASURES IN SOUTH DAKOTA AND WYOMING

REQUEST FOR ONLINE COMPUTER ACCESS

(PLEASE TYPE OR PRINT IN INK)

PLEASE NOTE: [] need only be checked, () requires an

1. GENERAL INFORMATION **

RETIREMENT NO.: _____

OPERATOR ID: _____

NAME: _____

Check Action Required:

(FIRST M.I., LAST)

AGENCY: _____

[] Assign OPERATOR ID to

(NUMBER) (NAME)

[] Change This User's Pr

(MAILING ADDRESS)

[] Cancel This user's OP

(MAILING ADDRESS - CONT.)

[] Temporarily Suspend
User's Privileges

(CITY, STATE, ZIP)

Until: ___ / ___ / ___

PHONE: (____) _____ - _____ EXT.: _____

2. ACCESS DURATION **

[] Permanent Access [] Temporary Access - until: ___ / ___ / ___

3. OPERATOR SECURITY ACKNOWLEDGEMENT **

READ CAREFULLY BEFORE SIGNING

I recognize that:

- A. Information (data) is an important asset to the State of Wyoming. The protection and integrity of this asset is vital to the operation of state government.
- B. State policy requires that all passwords, ID numbers and other procedures related to the legitimate access of data be personal to the employee to whom access is authorized and must be maintained on a strictly confidential basis. Permitting another to use such passwords, ID numbers, materials or procedures to gain access to data is expressly prohibited. Additionally, terminals should never be left unattended without first having signed-off the terminal session.
- C. A breach of State policy constitutes a security violation. Anyone having access to State of Wyoming data who commits a security violation will be subject to disciplinary action when circumstances warrant it. Any employee having knowledge of actual or attempted violations must report them to his/her supervisor or to Data Security immediately; failure to do so may result in disciplinary action.
- D. Under State Law, criminal offenses against computer data, computer equipment, or computer users are felonies and punishable by a maximum of a \$10,000 fine and/or 10 years in prison.

Applicant

Signature: _____ Date: _____

4. AGENCY AUTHORIZATION SIGNATURES **

Agency Management: _____ Date: ___ / ___ / ___

Security Liaison: _____ Date: ___ / ___ / ___

(Specify accesses on other side)

Section 1 Storage and Control of Data

Part A Online Security

The on-line files of the ACCESS system are protected by four layers of on-line security. These security systems function together to assure that only authorized personnel have access to the teleprocessing network, the ACCESS system and assure that each user has the appropriate roles and authorizations to make updates to the ACCESS system data files.

The first level of security is the Resource Access Control Facility (RACF) security package (an IBM software product) which is used to control access to the State's teleprocessing network. This is the basic password control system employed by the state (Attachment #1). The basic features of the system are that it requires passwords to be changed every 32 days (Attachment #2), prohibits duplicate passwords or using a password more than 1 time, and identifies users of the system and transaction types for accounting and billing information. Users who fail to correctly identify themselves to the RACF system after 3 tries have their passwords revoked (Attachment #3). Their authorization is removed until reauthorized by a designated security officer. The Department of Social Services has a designated security officer who is responsible for RACF security and personnel authorization. In the South Dakota Department of Social Services William Justice is the security officer appointed by the Secretary.

The second level of security in the system is the SS18 On-line Systems Security System. This system was developed by the Department of Social Services serves many functions of the Department. The basic purpose of the system is to assure that the current terminal user is authorized to perform the requested transactions. In addition the system logs all unauthorized attempts to use the ACCESS system and other systems in the Department, (see Attachment #4), supports the reporting of departmental organization and staffing charts, permits on-line updating of personnel data and authorized systems activities, and inventory management of all CICS addressable hardware (terminals, printers, and control units).

The primary tool used by the SS18 system is a file with a record of each individual employed by the Department of Social Services. The RACF security system passes data on each logged on user to the SS18 system identifying the user. The SS18 file includes for each person a USER-ID, name, and some information descriptive of their location in the department as well as their geographic location (Attachment #5). Each USER has a list of permissions associated with their record which lists in detail all of the transactions that they are allowed to perform from a terminal device (Attachment #6). The permissions list is checked prior to performing an on-line transaction.

This information is kept up to date by persons designated as OWNER's of specific user records. All persons identified as owners are trained in the use of the SS18 Security system and periodically reminded of their security responsibility to keep the personnel data on the system up to date. The department also has 1 primary and 3 backup individuals who are designated "SECURITY OFFICER" to monitor and assist users with SS18 authorization. These individuals are William Justice, Charles Sisk, Dale Misterek and Gene Miller. All of the data on the SS18 system is available for on-line query if the user requesting the information has the appropriate authorizations.

Natural and ADABAS Security is a third level of security that functions to protect the on-line and batch use of ADABAS files. Natural Security involves the use of password security on the various files in ACCESS and checks the authority of the user by using the Natural Security File. Natural Security is a Software A. G. product and is administered by the data base administration staff located in the Office of Information Processing Services. The Department of Social Services is responsible to assure the compatibility of RACF, SS18 and Natural Security.

The last level of security in the ACCESS system is ACCESS security, a part of the ADD subsystem of ACCESS. This software controls all of the "roles" and "functions" which are authorized for each user of the ACCESS system (Attachment #7). ACCESS security ensures that the commands entered within the ACCESS application by a user are consistent with the permissions authorized for the user. The control files with each individual's roles and functions is maintained by the DSS security officers and ACCESS administration staff via on-line update and query capability.

Part B Data Controls

The ACCESS system controls the processing of data on the ACCESS system by assigning a "case status" to the case. This case status tracks the status of a case and controls the issuance of benefits and reporting of cases which need to be processed by caseworkers.

ACCESS does not suspend data as all data is accepted into the ACCESS database. However cases are placed into a kind of "suspend status" which prohibits the issuance of benefits. For example, fields which cannot be accepted into the database are flagged as questionable and the case is reported to the worker as needing edits resolved. Benefits cannot be issued to cases which are not approved, and cases cannot be approved until all edits are resolved.

Caseworkers cannot change the status of a case and therefore cannot bypass any edits or control which prevent the issuance of a benefit. Benefits cannot be issued without having the entire edit and eligibility processing of ACCESS completed and showing an eligible result and a disbursement amount which is calculated by the system. There is no provision for a worker override.

Since ACCESS does not really reject the entry of data in the classic sense due to it's on-line nature the worker is responsible to correct any and all errors as part of day to day operations. Should the caseworker be unable to resolve a problem in a timely manner the worker has the responsibility to share the problem with their supervisor. Sufficient caseworker performance monitoring mechanisms exist to allow supervisor and state office personnel to be aware of workers who are falling behind in handling case needing actions to be taken for approval.

All of the data captured by ACCESS is done using on-line processing and no meaningful record counts could be used in a cost effective means to control the processing of data. Some data used by the ACCESS system is derived through a batch update from the interfaces with other systems. Each of the batch updates provides a total report indicating the number records passed and the number of records updated.

Part C System History Log

The ACCESS system does not have a logging function to control all of the possible incidents with regard to hardware and software failures because it would duplicate the logging function of the IPS Control Console located at the state computer center. The control console logs all hardware and software situations for all of the applications running on the state's computer system, including the ACCESS system and ACCESS users. The history log used by the State of South Dakota is the IBM Console software product. The product has query and search capability for the tracking and analysis of problems. The microfiche of logs are supposed to be retained for up to 2 years but the state has chosen to keep all logs as history.

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The system history log is displayed on the computer operator's console terminal as well as being continually written to a file which is turned into a microfiche each day. The listing (Attachment #8) includes all events, batch and on-line (TSO and CICS) including:

- o Hardware and software failure messages.
- o Processing halts
- o Abnormal terminations of jobs
- o Error messages
- o Operator messages
- o Terminal failure and restart messages
- o Unusual messages
- o All input communications messages
- o All output communications messages

In addition a complete monitoring of all ADABAS commands, actions and status is done through the ADABAS command log. This log records every command issued by the various ADABAS versions running on the state's computer system. This log is listed to a tape file which is archived each day.

The ACCESS system has it's own software failure log. Every ACCESS Natural software failure is trapped and logged capturing information about the program, error code, line number, user-id, case number etc. associated with the problem. The user's on-line session is automatically restarted by ACCESS. All logged problems are reviewed the same or next day and any continuing difficulties associated with the problem are resolved.

In addition to the console log the Operations division of Information Processing Services maintains a HELP facility for the resolution of teleprocessing problems. Each telephone call to the HELP staff is logged on an incident report.

The Department of Social Services also staffs 2 HELP facilities. The Office of Management Information responds to questions about the mainframe and micro computers and software packages and keeps a log of the questions and problems. This HELP resource focuses on primarily technical problems with equipment and software. The Automated Eligibility Program also staffs a HELP line for the resolution of ACCESS problems. A log of each call is kept for analysis to identify training issues, new problems and workers potentially needing to receive special high intensity training.

The physical location, maintenance and security of computer equipment is provided by the Office of Purchasing and Inventory. Trained staff is responsible for tracking computer equipment, installation and moving of equipment, and minor repairs. An inventory system serves as a logging tool for equipment maintenance and inventory control.

The ACCESS system also has an on-line problem reporting system for reporting any perceived problem with the system. This function, triggered by the PF-11 key on terminal keyboards, automatically captures all of the available session information for problem resolution (Attachment #9). The data captured includes a user supplied description of the perceived problem, a picture of the screen the worker is reporting the problem from, and session information identifying the user, location, terminal device, time of day etc. The reported problem is automatically assigned a task number, logged into the ACCESS task management facility for on-line use and printed on hardcopy for immediate analysis by ACCESS and systems development staff.

APPENDIX E
PAPER CHASE MEMOS

FOCUS: IEVS, Income and Eligibility Verification System

REFERENCES-

Income Maintenance Manual: Chapter I, Part A, Page 24

File Code: 86-03 (CRN)

DCS Memo Series: 87-49, 5/11/87

Cross Reference: 86-02

Message Switches: 11252, 6/23/87, 6/16/87, 11/09/87

IEVS Paper Chase

CRN/IMP Outputs Manual: Chapter 5, Monthly Reports

Where to File: CRN

DATE: November 25, 1987

Manual after Ch. III, Part H

A Quality Control/ Training Bulletin
for the Financial Assistance Programs

the PAPER CHASE

This issue of Paper Chase updates you on some important IEVS match changes. The purpose of IEVS is to enable and require Income Maintenance and Unemployment agencies to determine eligibility and benefits more accurately by exchanging information with each other. Unearned income data from the State Unemployment Compensation Agency is obtained from IEVS Matches.

You currently receive 5 match reports from other agencies under IEVS and are responsible for taking action on AFDC, MA and Food Stamp cases. The 5 current match reports are in 2 groups.

GROUP 1 MATCHES

The Social Security Number Verification Discrepancy Report, Social Security Administration Benefit Record Match (BENDEX), and the DILHR Unemployment Compensation Cross Match are considered verified upon receipt. That is, you act on them without any other information or verification unless you can document that the match information is incorrect.

An important change for action on these IEVS matches began on July 1, 1987. As of July 1, the time frame for action on IEVS matches is extended to 45 days. All matches should be acted upon as soon as possible but this provides some relief for cases where verification does not come easily or quickly.

Beginning July 1, to get the correct due date for action on the IEVS matches, add 45 days to the run date on the match report.

For the Social Security Number Verification Discrepancy, Social Security Administration Benefit Record, and DILHR Cross Match, you must properly determine benefits and complete all the appropriate activities within 45 days of the date the report is run. You must document the action taken by completing the Match Discrepancy Box printed on the report for each person matched. All match reports are then filed in the case record.

Another important change in addition to the IEVS match time change of 45 days is that the IEVS Match Disposition Box has now been replaced with Match Specific Boxes. In other words, each IEVS report has a Match Disposition Box specific to the information on the IEVS Match.

SSN DISCREPANCY REPORT - FIXES

The IEVS required verification of Social Security number through a tape match with Social Security Administration has been produced since September, 1986. Even when the data in CRN on a person's Social Security number, name, date of birth and sex exactly match the information you have verified from another source, (such as a Social Security Administration Third Party Query Referral) you may receive a discrepancy report. This is because the data on CRN is matched against the Social Security Administration's database which may or may not contain the same data as the TPQY database. When this happens, file your recent TPQY in the case record as

FOCUS: IEVS, Income and Eligibility Verification System

documentation, then enter "W" (worker verified) in Field 1A, CAF Page 2L, to override the discrepancy code inserted by CRN in the verification process and submit an SS-5 by the next review to correct the SSA database.

You may, especially in some Nursing Home cases, be unable to submit an SS-5. Leave the "W" in CRN and document in the case file all steps taken to complete an SS-5 and why it was not possible. Once a Social Security number has been verified and the "V" code has been entered in CRN, the number remains verified. All computer matches are done by Social Security number so a later change in name, date of birth, sex, or some other character does not affect a match.

Also fixed was the problem relating to the enumeration of a child with the same name as the parent. Most of these discrepancy reports came about because CRN couldn't distinguish between the parent or the child (jr.).

UNEMPLOYMENT COMPENSATION BENEFIT QUERY

Beginning in May, 1987, BEA began to assist you in obtaining current Unemployment Compensation data on new clients that have pending Unemployment Compensation benefit eligibility at the time of application. The intent is to obtain Unemployment Compensation information before eligibility and benefit determinations are made. Ideally, you should make your request from BEA at intake before the new application is input for eligibility determination. Do not delay the application to wait only for this information.

To request information, use the computer message switch system and send all requests for information to Station 98, BEA Fraud Unit. Include on the message your return address and the following information for each client:

Social Security Number
Name (first, middle, last)
Date of Birth
Query Requested (UC Benefits)

You will receive responses for each request submitted by return message switch or if the information is extensive, through the daily mail sent by Puralator from the State.

The information you will receive for Unemployment Compensation will be one of the following:

No record found - this means the client does not have a UC claim history.

UC Claim-Past Eligibility - this means the person has had a past UC claim which is no longer open. BEA will tell you some things about this old claim such as: the last week claimed, the date and amount of the last benefit paid and the paying employer.

UC Claim-Recent or Current - This means if there is any recent (within the last 3 months) or current claim, you will receive full information about eligibility dates, check dates, and amounts, remaining eligibility, paying employers, disqualification, etc.

NOTE: UC uses weeks and year in its eligibility determinations. A LWC is shown by week/year eg. 03/85 means week 3 of 1985, not March, 1985. You should also be aware that the first week a claim is filed establishes a "Benefit Year", which is a 52-week period of eligibility in which a person can receive a prescribed number of weekly benefits, as determined by the length of time worked before drawing benefits. BEA will be able to tell you how many weeks and what amount of benefits the person is eligible for in the benefit year, how much is used up, and how much remains.

MILWAUKEE COUNTY SOCIAL SERVICES - FINANCIAL ASSISTANCE DIVISION
FOCUS: IEVS, Income and Eligibility Verification System

GROUP 2 MATCHES

Income verification matches containing information that must be verified by you before using to determine current eligibility include the Social Security Number Wage Record (BENDEX) and Internal Revenue Service Unearned Income (1099) reports. You will begin receiving the Bendex Wage Match around November 17, 1987 and the annual IRS Unearned Income Match around January, 1988. Be sure to refer to the November, 1987 Bendex Wage Match Instructions for processing the Bendex Wage Match.

An important change for these matches is that you must request information from him/her within 45 days.

The applicant/recipient has primary responsibility for providing the verification. If an applicant/recipient does not respond within 10 days, deny or close the case for AFDC/MA/FS for failure to provide information.

If the applicant/recipient responds to the information within 10 days but cannot provide the necessary verification, you may request verification from a third party. You can use the model letter to do a third party, such as a bank, when a third party is necessary to verify a discrepancy. Do this within the 45 day time limit.

You may also request information from a third party at the same time you request information from the applicant/recipient. Do this in case the person does not have verification or cannot get any. You may decide to wait until you hear from the applicant/recipient before you request third party verification. Here again, the time frame for action on the verification must be done within 45 days.

Once third party verification is received, you must take action within 30 days of its receipt or before the next Review

Change Sheet is keyed, whichever is first. This of course, means that before the Review Change Sheet is keyed, you must take action on the IEVS Match.

If the third party verification is not received by the review date, and the applicant/recipient was unsuccessful in securing the verification you need, take action on whatever information you have before the Review Change Sheet is keyed. Base your action, if any, on the information the person provides in any other case information. Write in the Match Disposition Box:

1. What you and the recipient did to verify the information
2. Any case action
3. That match information cannot be verified

When you receive third party verification after the review, use it to determine benefits and/or start recoupment or claim determination. It may also be appropriate to review the case for fraud. When any case goes beyond the 45 day time frame for action when third party verification is requested but not received, document the reason why on the Match Disposition Box.

Here is a case example of how the process on third party verification might play out:

Step 1: You receive an IRS Unearned Income Match. This is a Group 2 match requiring verification from the client before using to determine current eligibility.

Step 2: Because the match is not verified upon receipt, you decide to send a letter to the client within the 45 day time frame

FOCUS: IEVS, Income and Eligibility Verification System

requesting verification. The client has 10 days to respond to your request.

Step 3: You decide to request information from a third party at the same time you request information from the client, so you use the IEVS Third Party Verification Letter.

Step 4: The client does not respond within 10 days, so you enter a case closure code for failure to provide information.

Step 5: The Third Party Verification Letter is received after the case is closed. You then will go back to recoup and/or claim any past benefits.

Step 5: Third Party Verification isn't received by the review date. You act on the information the recipient provides and other information in the record, before the Review Change Sheet is keyed. Base your action, if any, on information the client provides and any other information in the record. Document these actions on the Match Disposition Box.

Step 6: Third Party Verification is received after the review. Act on it within 30 days and use it to determine current eligibility and/or start recovery.

Here's another case example of how the IEVS process may play out.

Step 1: You receive a Social Security Number Wage Record (BENDEX). You identify this match as Group 2, not verified upon receipt, for determining current eligibility.

Step 2: You send the IEVS Letter to the client requesting verification of the IEVS Match information within the 45 day time frame.

Step 3: The client responds within 10 days but does not have the information you need to verify the IEVS Match.

Step 4: You document all the action taken above on the IEVS Match Disposition Box and decide to send the Third Party Verification Letter within 45 days from the date the match is processed.

FOCUS: IEVS, Income and Eligibility Verification System

References: Income Maintenance Manual, Ch. 1, Part A, P. 14 Where to File: Place in your CRN Manual
EAD Policy & Procedure 86-11 after Part H in Chapter 03

Message Switches: 1125/1002; 6/11/86
December 22, 1986

File Code: 86-02(CRN) Cross Reference: None

A Quality Control/Training Bulletin
for the Financial Assistance Programs

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This issue of Paper Chase summarizes the IEVS computer matches and the activities FAWs need to take on the information received from these matches to reduce errors, fraud and recover overpayments in the AFDC/MA/FS Programs.

WHAT ARE THE IEVS COMPUTER MATCHES ?

IEVS means Income and Eligibility Verification System. The Deficit Reduction Act of 1984 (DEFRA) requires that states implement income and eligibility verification procedures for AFDC/MA/FS. Under IEVS, mandatory exchanges of information received in computer matches from federal, state and local agencies must be used for verification and determining eligibility for AFDC/MA/FS. FAWs are required to take action and document the completion of that action within 30 days of the date the State receives the match.

There are three groups of IEVS computer matches you will receive for income and eligibility verification:

Group 1

Income Verification matches containing information that is verified upon receipt by the agency and can be used to determine current eligibility. There are three computer matches in this group:

1. CRN/DILHR UC crossmatch
2. SSA Benefit Record Match (Bendix)
3. CRN AF/FS recipients who also receive SSI

Group 2

Income Verification matches containing information that must be verified by you before using it to determine current eligibility. There are three computer matches in this group:

1. Bendix Wage Match
2. IRS Unearned Income Match
3. SWICA State Wage Information (available 9/86)

Group 3

SSN Verification match containing information on SSN discrepancies found by the Social Security Administration on persons receiving AFDC/MA/FS. There is one Group 3 computer match:

1. SSN Verification Discrepancy Report

IEVS Computer Matches

Group 1 Matches

The following IEVS computer matches contain information from other federal, state and local agencies that is considered verified when we receive the computer match and can be used immediately to determine current eligibility.

1. CRN/DILHR UC Crossmatch Report

This report is the result of a computer match with data from the State of Wisconsin, Department of Industry, Labor and Human Relations Unemployment Compensation benefit system and data in the CRN system. The UC/DILHR crossmatch identifies differences between the amount of Unemployment Compensation issued and the amount of Unemployment Compensation reported on CRN. It provides a single source of verification that you can use to determine current eligibility of AFDC/MA/FS.

The Agency receives the report at the beginning of each month for each worker zone by case, so that we can make the necessary changes to correct the AF/MA/FS benefits within 30 days upon receipt of the report. For example:

A UC/DILHR crossmatch for the report month of December, 1986 on a retrospectively budgeted case is received by the Agency in January, 1987. The crossmatch verifies the UC benefits paid by DILHR in December and compares UC income reported on CRN as of the last day of December. It also shows UC paid in the report month (December) for weeks prior to the report month. Because the information is considered verified when the agency receives the report, you must process the information on the report by January cut-off to correctly calculate February's benefits.

<u>December</u>	<u>January</u>	<u>February</u>
UC Received	Report c/o	Correct Retrospective
	Process	Benefits

2. SSA Benefit Record Match (Bendix) Report

This report is the result of a computer match run on the data in the Social Security Administration (SSA) benefit record system (Bendix) with data in the CRN system. The SSA Benefit Record Match (Bendix) identifies whether the report covers prospectively budgeted cases only, retrospectively budgeted cases only, and identifies differences of one cent (\$.01) or more between SSA benefits paid to AF/MA/FS recipients and the SSA benefits reported on CRN.

The Agency receives the report monthly for each worker zone by case only if there is a discrepancy between the amount of SSA benefits reported on CRN and the amount of benefits reported on the SSA (Bendix) tape. The information on the match is considered verified when the agency receives the report and action is taken within 30 days to correct the discrepancy.

3. CRN AFDC/Food Stamp Recipients Who Also Receive SSI

This report is the result of a computer match run on the data from the Social Security Administration showing recipients of SSI benefits with SSI recipients in the CRN data base. The computer tape sent to the State by SSA is known as the SDX tape. The report is produced for each worker zone by case. Its purpose is to notify you of all persons receiving SSI and who are also in the CRN data base.

The information from the match is considered verified when the agency receives the report and you must take action on the report within 30 days. The information on the match can be used to close the person on CRN; to determine if an IAA is needed on a General Assistance case; to calculate FS shelter/utilities computations; or to show SSI eligibility for LIEAP.

FOCUS: IEVS, Income and Eligibility Verification System Cont.

December 22, 1986

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Group 2 Matches

IEVS matches which are not verified on receipt

Some information received as a result of IEVS computer matches with various other federal, state and local agencies must be verified before you can use the information to determine current eligibility. Matches which are not verified upon the agency receiving them and may require client and/or third party contacts are:

1. Bendix Wage Match
2. IRS Unearned Income Match
3. SWICA Match

1. Bendix Wage Match

This report shows persons on CRN who earned \$25,000 or more from federal employment and certain types of self-employment income. The computer tape is received by the state from the Social Security Administration (SSA). SSA gets the information from the IRS that is reported by employers. The information on the report is 6-18 months old (dated) when you receive it. For example, after June, 1987 the report shows earned income information dating back to January, 1985.

2. IRS Earned Income Match

This report shows confidential IRS data, 6 to 18 months old, identifying persons with earned income reported on IRS, Data Form 1099 with CRN AFDC/MA/FS recipients. Beginning October, 1986 all new CRN AFDC/MA/FS applicants and new person adds will be matched with the IRS unearned income data. Beginning June 1987, all on-going recipients will be matched with the IRS unearned income data report. This report will show discrepancies found through the IEVS on assets and divestment of assets.

3. SWICA/State Wage Information Collection Agency

This is a report from all employers in the state showing wages paid to their employees. It will not be available until September, 1988.

Verification Procedures on the IEVS Bendix Wage, IRS Unearned Income & SWICA Matches

The information received in these matches must be verified before you can use it to determine current eligibility. You must contact the client and may have to contact a third party such as a bank, savings and loan or employer. The action(s) you take must be within 30 days and documented on the face of the report.

Group 3 Matches

IEVS SSN Verification Discrepancy Report

Another important part of IEVS is verifying the social security number of each person receiving AFDC/MA/FS through a tape match with the Social Security Administration. The previous ways of verifying social security numbers (SSN's), such as seeing the card, are no longer sufficient. The only verified SSN is a social security number that has been verified by the Social Security Administration.

A new SSN verification field in CRN, (CAF, Page 2, Item 1a) should be used to show the status of the SSN verification process. Enter one of the following codes on Page 2, Item 1a:

<u>Code</u>	<u>Definition</u>
F	a "real" SSN has been furnished
E	a SS-5 has been completed and sent to SSA
P	a "non-real" SSN and action is pending
X	a person is not required to furnish a SSN
W	SSN verified by worker

CRN selects all persons with an F or W code. These person's SSN's are matched with the SSA data base by SSN, D.O.B., name and sex. The results of the match by SSA result in:

- 1) CRN generating a "V" code only when SSA has validated the SSN, or
- 2) a discrepancy report when the person's data on CRN doesn't match data on SSA's file.

SSA findings will be reported on a discrepancy report titled "SSN Verification and Match", along with one of these discrepancy codes: 1, 2, 3, 4, 5, 6, 7, 8, or 9.

The first IEVS match was conducted on the last work day of September and the agency received the report on November 3rd. This computer match process will be done on a monthly basis and you can expect a report only if discrepancies are found through the tape match.

Action(s) to Take on all IEVS Matches

- I. When a match report is received, you must document all case actions and decisions on the face of the report. In January 1987, all match reports should contain a box called The Match Disposition Box on the face of the report. If you received a match report without the box on the face of the report document your action on the report including your zone number, date and action taken to resolve the discrepancy.
- II. Take action on the match report within 30 days from the date, the State/DHSS got the report. This means that some days in the 30 day processing time frame will have already lapsed when you receive the report. Although the reports will be date stamped by MM/DD/YY, showing when the agency received the report, you must take action within the 30 days from the date the state received the report, not the agency date stamp day.
- III. Review the discrepancy and check the record to determine if it is caused by agency error. If yes, correct the error and document on the match within the 30 day processing regulation.
- IV. If agency error was not the cause of the discrepancy on the match report, you may decide to:
 - a. take no action based on case facts and document your reason;
 - b. use the information, if a match verified upon receipt, i.e. UC crossmatch, to determine current eligibility and document your action on the report; or
 - c. document your actions on the report if the match information is incorrect; or
 - d. notify the client because the IEVS match is not verified upon receipt and verify the information before you can use it to determine eligibility.You may be obligated to request third party verification if the client cooperates but can't get the required verification you requested.

Training on IEVS

More information on IEVS match reports and your action on the reports will follow in a training program to be offered by Staff Training & Development beginning January, 1987. Information on SS-5, Social Security Number processing and the TPQY 491 (SSA) form, used to verify SSA/SSI/Disability Information will also be included in the IEVS training.

APPENDIX F
WISCONSIN IEVS IMPACT SURVEY

October 26, 1987

To: John Erickson
Director
Bureau of Economic Assistance

From: Larry Fay
IEVS Match Coordinator
CRN/IMP Development Group

Re: IEVS IMPACT SURVEY RESULTS

In May 1987 I sent an IEVS Impact Survey form to each IM worker in the state. The Attachment shows the questionnaire and the tabulated results.

The purpose of the survey was to look at the matches from the workers' point of view, so that we could gain some insight into the matches, determine their value and find ways to improve match processing efficiency.

We hoped to find out the following information:

1. The size and type of caseload most IM workers currently carry.
2. The added workload created by the IEVS matches in production at that time (SSN Verification, BENDEX Benefit and UC).
3. The percentage of matches containing incorrect information.
4. How successful workers have been in complying with required timeframes for action.
5. The percentage of matches resulting in benefit reductions, increases and discontinuances.
6. The workers' impression of the match disposition box as a helpful tool for required documentation of match disposition information.
7. Suggestions for improvement of the match disposition box.
8. Comments.

Workers were asked for their opinions and estimates. They were not asked to research their caseloads and make counts. The results, therefore, cannot be viewed as accurate statistics, but rather as approximations indicating the impact of IEVS matches.

At the time the survey was conducted the only IEVS matches in production were the SSN Verification match, the BENDEX Benefit match and the Unemployment Compensation match.

Summary of Survey Results:

Of the approximately 1,000 questionnaires sent out, we received 647 responses, or 64.7%.

1. Size and type of caseload:

Of 617 workers with all types of caseloads, the average caseload size was 216 cases.

The data is available to determine the caseload type of all responding workers. However, we are informed by OMI that "massaging" the data to get a tabulation of all possible program combinations will take considerable time. We've decided that the information isn't worth the expenditure of resources.

A significant piece of information acquired by the survey is the fact that 52 of the 617 responding IM workers carry only Nursing Home cases. This will be a significant factor in the near future when we are determining tolerance levels to control the volume of the IRS Unearned Income match. We know that some of these "Nursing Home only" workers have very large caseloads and that the elderly have, or have had, a disproportionate percentage of unearned income as compared to AFDC and FS households. We will carefully monitor match volume to avoid burying these workers, especially in IRS match paperwork.

2. Added Workload:

Workers average 8 or 9 SSN Verification match reports, 9 or 10 Unemployment Compensation match reports and 4 or 5 BENDEX Benefit match reports per month.

When asked how these matches have affected their jobs, the SSN Verification and BENDEX Benefit matches, both SSA matches, scored no better than we expected them to. 65% said the SSN match made their jobs more difficult and 47% said the same for the BENDEX Benefit match. The remaining responses were pretty evenly split between "Easier" and "No difference". With the many problems SSA has cross referencing their files the response is certainly understandable. For example, the match frequently has produced reports indicating that SSA has "NO FILE" while the IM worker knows and has verified the receipt of, and the amount of, SSA benefits. SSA continues to assure us that they are working to improve their cross referencing and we continue to look for ways to improve things on our end to exclude incorrect BENDEX Benefit matches. Part of the problem may be our accretion process to the BENDEX file. We have to leave time in early 1968 to analyze in detail our accretion process.

a. SSN Verification:

Workers indicate about 42% of SSN Verification matches require action to change or correct CRN/IMP or completion of an SS-5 to correct SSA files. Many workers commented on their frustration with being required to correct and update SSA records.

b. BENDEX Benefits:

Workers report that approximately 28% of the BENDEX Benefit matches require some change or correction. Some of these are the result of clients failing to report changes in Social Security benefits. Some indicate that the worker contacted SSA for verification to settle the conflict between the BENDEX Benefit report and a CRN/IMP entry that the worker has reason to believe is more accurate.

c. UC:

Worker response to the UC match was very positive, with 77% saying it makes the job easier, 15% saying it has no impact and 8% saying it makes the job more difficult.

About 38% of the UC match reports require some sort of action to change or correct CRN/IMP. Indications are that most of those changes and corrections occur before benefits are issued, i.e., pre-cutoff changes of UC income amounts entered to CRN/IMP based on information from monthly reports. This prevents case error and overissuance of benefits.

3. Percentage of matches containing incorrect information:

Workers report that approximately 30% of the SSN Verification matches contain incorrect information. This indicates the magnitude of the problem of outdated information in the SSA files. Most of these are most likely the result of name changes due to marriage or divorce that were never reported to SSA. Others are the result of old incorrect information in the SSA files that went unnoticed until the SSN Verification process was initiated. When we asked this question, we asked workers to give us an average percentage from their experience since October 1986. This included the period in which the initial verification of the entire caseload had to be achieved. By now the volume of SSN Verification matches and the number of matches indicating incorrect information has decreased.

About 14% of the UC matches were reported to be providing incorrect information. It was discovered shortly after the survey that some codes were not being picked up in our programming. These codes would have indicated that the income in some cases was not in fact income, but something else, such as an amount being withheld to pay back a previous overpayment. We've now implemented corrections to reduce or eliminate this problem.

4. How successful workers have been in complying with required timeframes for action:

The survey confirmed our belief that most of the IEVS matches were being completed within the required 30 day timeframe in affect at that time. The percentage of IEVS matches being completed within 30 days was close to 90%. The timeframe has since been extended to 45 days. There is reason to expect that, with increased experience and the extended timeframe, this percentage has risen since the completion of the survey. This news reflects positively on the local agencies attention to meeting match requirements.

5. The percentage of matches resulting in benefit reductions, increases and discontinuances:

The survey questionnaire asked workers for an approximate percentage of matches resulting in benefit reduction, increase or discontinuance. the following is a break down of the responses by match type:

SSN Verification Match:

Benefit reductions: 71% of workers responding said that none of the SSN Verification matches they received resulted in Benefit reductions.

23% said that less than 5% resulted in reductions.

6% said more than 5% resulted in reductions.

Benefit Increases: 88% of workers responding said that none of the SSN Verification matches they received resulted in Benefit increases.

9.5% said that less than 5% resulted in increases.

2.5% said more than 5% resulted in increases.

Benefit

Discontinuances: 83% of the workers responding said that none of the SSN Verification matches resulted in Benefit discontinuance.

14% said that less than 5% resulted in discontinuance.

3% said that more than 5% resulted in discontinuance.

BENDEX Benefit Match:

Benefit Reductions: 44% of workers responding said that none of the BENDEX Benefit matches resulted in benefit reductions.

34% said that less than 5% resulted in reductions.

22% said that more than 5% resulted in reductions.

Benefit Increases: 72% of workers responding said that none of the BENDEX Benefit matches resulted in benefit increases.

20% said that less than 5% resulted in increases.

8% said that more than 5% resulted in increases.

Benefit

Discontinuances: 73% of workers responding said that none of the BENDEX Benefit matches resulted in benefit discontinuances.

20% said that less than 5% resulted in discontinuance.

7% said that more than 5% resulted in discontinuance.

Unemployment Compensation Match:

Benefit Reductions: 19% of workers responding said that none of the UC matches resulted in benefit reduction.

26% said that less than 5% resulted in reduction.

55% said that more than 5% resulted in reduction.

Benefit Increases: 52% of workers responding said that none of the UC matches resulted in benefit increase.

27% said that less than 5% resulted in increase.

21% said that more than 5% resulted in increase.

Benefit

Discontinuances: 47% of workers responding said that none of the UC matches resulted in benefit discontinuance.

35% said that less than 5% resulted in discontinuance.

18% said that more than 5% resulted in discontinuance.

Due to the fact that the questionnaire gave workers a choice of checking "NONE" or "0 - 5%" for the responses given above, there is the possibility that some of them may have misinterpreted, checking "0 - 5%" when they meant "NONE". Therefore, the statistics in this instance may be incorrect.

This does not mean the statistics gathered from this part of the survey are without value. They give us a rough sketch of the financial impact of these three matches.

a. SSN Verification:

The financial impact of the SSN Verification match is not very significant. The value of this match is that it automates an important part of the verification process; provides workers with some identification information to correct errors on CRN; indicates errors in SSA files that should be corrected to facilitate effective matching with SSA for Benefit and Wage information and with other match sources; and now that the XRPIEN process has been incorporated into this match, provides automatic updating of SSNs on CRN/IMP when an applicant/recipient is initially enumerated.

b. BENDEX Benefit:

This match has a moderate impact on eligibility determinations, especially regarding benefit reductions. The survey appears to confirm that the match is effective in identifying unreported increases in SSA benefits.

c. UC:

This match has a very significant impact on eligibility determinations. The survey confirms its effectiveness in identifying unreported and underreported UC benefits. It is especially important since it identifies these discrepancies before monthly benefit issuance. It must be remembered, however, that were it not for the existence of this match, UC benefits would have to be verified in some other manner. The most significant difference is the timeliness and overall consistency of the UC match as compared to other methods of UC benefit verification.

6. The workers' impression of the match disposition box as a helpful tool for required documentation of match disposition information:

The final survey question asked if workers consider the disposition box a helpful tool for documenting required disposition information.

Of 627 responding, 431, or 68% said yes.

7. Suggestions for improvement of the Disposition box:

We also asked for suggestions to improve the Disposition Box. The most frequent responses recommended:

- a. Providing more space for comments.
- b. Making the disposition items more specific to each match type, rather than using a "generic" box for all IEVS match reports.

In June we responded to these suggestions by providing more "match specific" disposition boxes with two more comment lines.

8. Comments:

The last item on the questionnaire was a section for comments. The most frequent comments are listed below:

1. Complaints about the responsibility for "cleaning up" SSA records falling on the IM worker, when the information in CRN is correct and SSA information is found to be wrong in the SSN verification match. SSA errors cited include typographical errors and files that have not been updated with new information, such as name changes.

This issue has been discussed in detail with SSA and the interdepartmental agreement requires our local agencies to update the SSA file for IEVS purposes.

2. Complaints about discrepancy reports on SSN Verification matches in which SSA doesn't provide enough information for the worker to determine the exact discrepancy.

We have no control over this. SSA refuses to provide further data for "confidentiality" reasons.

3. Much praise for the UC match.
4. Positive comments about the BENDEX benefit match.
5. Several comments about the frequency with which matches provide incorrect information. This includes those cases known to be receiving SSA benefits, for which the BENDEX Benefit match claims SSA has "No File".

This is due mostly to SSA's cross referencing problems, however our faulty accretion process contributes to the frequency of error.

The SCAN Team will be recommending to management that we discontinue giving local agencies output reports indicating that SSA has "No File" until we resolve the "No File" problem.

6. Requests for a longer IEVS timeframe for action, which has since been implemented.
7. Some complaints stating that the value of IEVS matches is not worth the effort.

Please direct any questions you may have about the IEVS match survey to Larry Fay, IEVS Match Coordinator, 226-3485.

Attachment

cc

John Bauer
Mary Ann Cook
John Erickson
Gary Kuhn
Joe Stafford
Bernie Stumbras
Carolyn Thompson
Susan Wood
SCAN Team

IIVS MATCH QUESTIONNAIRE RESULTS

The following data is based on 647 surveys and shows statewide results:

1. Caseload size: 216 August Caseload (617 caseloads averaged)

2. Type of caseload.

AFDC: Y 565 N 81 RNIP: Y 28 N 618

Including Nursing Home Cases: Y 190 N 456

MA: Y 613 N 33 GA: Y 190 N 456

Nursing Home Cases Only: Y 52 N 594

FS: Y 594 N 52

3. Average number of these matches received each month.

SSN Verification: 8.79 (601 workers responding)

UC: 9.62 (569 workers responding)

EDUC Benefits: 4.87 (562 workers responding)

4. Affect of matches on job.

SSN Verification: easier 101 same 118 more difficult 409

UC: easier 472 same 89 more difficult 46

EDUC Benefits: easier 149 same 172 more difficult 286

5. The percent (0-100%) of matches that resulted in changes or corrections (SSN, name, birthdate, sex, eligibility or benefit changes, etc.).

SSN Verification: 41.71% (584 workers responding)

UC: 37.84% (559 workers responding)

EDUC Benefits: 27.82% (484 workers responding)

6. The percent of matches which provided incorrect information.

SSN Verification: 29.74% (493 workers responding)

UC: 13.84% (234 workers responding)

EDUC Benefits: 46.86% (487 workers responding)

LEADS MATCH QUESTIONNAIRE RESULTS

Page 2

- *7. The percent of matches which were successfully completed within the required 30 day time frame.

SSN Verification: 90.13% (616 workers responding)
 UC: 87.60% (589 workers responding)
 BENDEX Benefits: 92.59% (594 workers responding)

- *8. The percent of matches which resulted in benefit reductions.

	<u>NONE</u>	<u>0-5%</u>	<u>5-10%</u>	<u>10-15%</u>	<u>15-20%</u>	<u>20-25%</u>	<u>25%+</u>
SSN Verification:	<u>457</u>	<u>147</u>	<u>18</u>	<u>10</u>	<u>4</u>	<u>3</u>	<u>8</u>
UC:	<u>123</u>	<u>167</u>	<u>102</u>	<u>63</u>	<u>42</u>	<u>29</u>	<u>121</u>
BENDEX Benefits:	<u>284</u>	<u>220</u>	<u>67</u>	<u>30</u>	<u>13</u>	<u>9</u>	<u>24</u>

- *9. The percent of your matches which resulted in benefit increases.

	<u>NONE</u>	<u>0-5%</u>	<u>5-10%</u>	<u>10-15%</u>	<u>15-20%</u>	<u>20-25%</u>	<u>25%+</u>
SSN Verification:	<u>568</u>	<u>62</u>	<u>9</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>6</u>
UC:	<u>342</u>	<u>181</u>	<u>55</u>	<u>24</u>	<u>13</u>	<u>8</u>	<u>24</u>
BENDEX Benefits:	<u>467</u>	<u>153</u>	<u>22</u>	<u>8</u>	<u>3</u>	<u>2</u>	<u>2</u>

10. The percent of matches which resulted in discontinuance of eligibility.

	<u>NONE</u>	<u>0-5%</u>	<u>5-10%</u>	<u>10-15%</u>	<u>15-20%</u>	<u>20-25%</u>	<u>25%+</u>
SSN Verification:	<u>538</u>	<u>93</u>	<u>6</u>	<u>3</u>	<u>0</u>	<u>1</u>	<u>6</u>
UC:	<u>309</u>	<u>229</u>	<u>46</u>	<u>29</u>	<u>11</u>	<u>2</u>	<u>21</u>
BENDEX Benefits:	<u>477</u>	<u>131</u>	<u>14</u>	<u>9</u>	<u>4</u>	<u>3</u>	<u>9</u>

11. The disposition box is or is not a helpful tool for documentation of required match disposition information.

YES 431

NO 196

*Table attached for items 8, 9 and 10.

APPENDIX G
WORKER VERIFICATION SUMMARY - SOUTH DAKOTA

FROM: 2-1-88 TO: 2-29-88
 DIST: 1 WKRS: AGK VACANT VACANT

ACTION/TYPE	NBR.	AUG. DAYS	AUG. MM
A30 PLEASE NOTE: BENDEX-UNEA AMOUNT NOT EQUAL BN ALREADY KNEN ABOUT	2	1	6
	2	1	6
A40 PLEASE NOTE: SDX-UNEA AMOUNT NOT EQUAL BN OTHER	2	14	12
	2	14	12
A50 JOB SERVICE WAGE INFORMATION AVAILABLE BN ALREADY KNEN ABOUT	2	2	12
	2	2	12
A51 JOB SERVICE WAGE INFORMATION. NO JOB INCOME (JINC) REPORTED. BN ALREADY KNEN ABOUT	3	2	11
BN OTHER	2	2	6
BN MISSING PERSON	1	12	10
	6	4	12
A20 RECOVERY CLAIM SETUP BN ALREADY KNEN ABOUT	2		10
CC RECOVERY ONLY	2		10
	4		10
WORKER TOTAL:	16	4	13

See also Appendix H - State Verification Summary Report.

APPENDIX H
TIME MEASUREMENT REPORTS

FROM: 2-1-88 TO: 2-29-88

ACTION/TYPE	NBR.	AUG. DAYS	AUG. MMH	TOTAL COST	TOTAL SAVINGS	TOTAL RECOVERY	EVENTUAL NET SAVE	PAYBACK \$/HR
A30 PLEASE NOTE: BENDEX-UNEA AMOUNT NOT EQUAL								
BC CASE CLOSED	9	27	9					
BI INTERFACE PROBLEM	13	30	12					
BN ALREADY KNEN ABOUT	296	39	8					
BO OTHER	30	27	11					
RE CLAIM ESTABLISHED	1	34	31		86.00		774.00	
	357	37	9		86.00		774.00	1.99
A33 PLEASE NOTE: POSSIBLE ASSISTANCE IN ANOTHER STATE								
BC CASE CLOSED	2	3	3					
BI INTERFACE PROBLEM	2	30	10					
BN ALREADY KNEN ABOUT	46	23	8					
BO OTHER	14	9	12					
BP WRONG PERSON	8	30	14					
	67	20	10					
A40 PLEASE NOTE: 3DX-UNEA AMOUNT NOT EQUAL								
BC CASE CLOSED	44	20	6					
BI INTERFACE PROBLEM	110	41	14					
BN ALREADY KNEN ABOUT	1616	28	7					
BO OTHER	154	28	12					
BP WRONG PERSON	3	32	7					
BU UNABLE TO VERIFY	3	38	9					
CF FUTURE ONLY	3	32	16		11.00		35.00	
RE CLAIM ESTABLISHED	3	33	33					
	1936	29	8		11.00		35.00	0.04
A50 JOB SERVICE WAGE INFORMATION AVAILABLE								
BC CASE CLOSED	36	29	7					
BI INTERFACE PROBLEM	11	18	6					
BN ALREADY KNEN ABOUT	1614	30	9					
BO OTHER	104	36	12					
BP WRONG PERSON	7	35	15					
BU UNABLE TO VERIFY	19	36	11					
RE CLAIM ESTABLISHED	61	53	120	0.22	271.32	113.00	4720.74	
	1832	31	11	0.22	271.32	113.00	4720.74	1.06
A51 JOB SERVICE WAGE INFORMATION, NH JOB INCOME (JINC) REPORTED. PENDING 1 (NOT USED IN COMPUTING SUMMARIES)								
BC CASE CLOSED	35	30	9					
BI INTERFACE PROBLEM	22	14	11					
BN ALREADY KNEN ABOUT	912	24	7	0.25			-0.25	
BO OTHER	210	23	10	0.25			-0.25	
BP WRONG PERSON	39	23	15					
BU UNABLE TO VERIFY	30	33	14					
RE CLAIM ESTABLISHED	61	51	84	9.05	100.00	350.00	6846.95	
	1317	25	12	9.55	100.00	350.00	6846.45	1.63
A60 JOB SERVICE UNEMPLOYMENT BENEFIT INFORMATION AVAILABLE								
BC CASE CLOSED	5	15	5					
BI INTERFACE PROBLEM	3	1	12					
BN ALREADY KNEN ABOUT	698	14	6					
BO OTHER	53	23	5					
BU UNABLE TO VERIFY	2	10	6					
RE CLAIM ESTABLISHED	7	51	91	0.44		4.00	881.56	
	768	14	7	0.44		4.00	881.56	0.04
A90 RECOVERY CLAIM SETUP								

4 12 51 / now

Handwritten mark

PROGRAM PASH604T

120-DAY NO DISPOSITION REPORT
SEPTEMBER 1987

DPASS-EMP-747

DATE PREPARED 09/30/87

PAGE 032

2.

3.

4.

5.

6.

7.

8.

9.

10.

FIELD OFFICE

HH NAME

HH SSN

SOURCE

DISCREPANCY
MONTHES
DISCREPANCY
AMOUNTAFCC
DISCREPANCY
AMOUNTPE
DISCREPANCY
AMOUNTHH TOTAL
DISCREPANCY

WASHAKIE

EARNED	04-86	\$	864	\$	864	\$	0	\$	1,728
UNEARNED	05-86	\$	386	\$	0	\$	0	\$	386
EARNED	07-86	\$	1,886	\$	0	\$	0	\$	1,886
EARNED	07-86	\$	224	\$	524	\$	0	\$	1,058
UNEARNED	11-86	\$	0	\$	176	\$	0	\$	176
EARNED	01-87	\$	0	\$	0	\$	0	\$	0
UNEARNED	01-87	\$	125	\$	0	\$	0	\$	125
UNEARNED	04-87	\$	360	\$	0	\$	0	\$	360
UNEARNED	05-87	\$	266	\$	0	\$	0	\$	266
UNEARNED	05-87	\$	316	\$	0	\$	0	\$	316
UNEARNED	05-87	\$	36	\$	396	\$	0	\$	432
UNEARNED	05-87	\$	360	\$	0	\$	0	\$	360
UNEARNED	05-87	\$	0	\$	108	\$	0	\$	108

TOTAL

TOTAL DISCREPANCIES 13 \$ 5,523 \$ 2,468 \$ 0 \$ 127,991

This report shows cases which have not been verified
after 120 days. Similar reports are generated after
30, 60 and 90 days.

APPENDIX I
EXAMPLES OF GENERAL FORMS USED IN MATCHING

TRADUCCION EN ESPAÑOL AL REVERSOREVENUE CROSSMATCH

DATE OF NOTICE (FECHA DE NOTIFICACION)

CASE ID NO. (NUMERO DEL CASO)

Dear Mr./Ms.

The Illinois Department of Public Aid is conducting a special review to establish your continued eligibility for Public Assistance. We have received information through our Revenue Crossmatch Data File indicating that you/you and your spouse filed an income tax/joint income tax return for the 1985 tax year. Because this information conflicts with information that you have previously provided, an appointment has been scheduled for you at the date and time indicated below.

Illinois Department of Public Aid
Project Administration Section
2036 South Michigan, 3rd Floor
Chicago, Illinois 60616

Reviewer

Date of Appointment

Time of Appointment

Please bring this letter and the following information with you:

- ☐ 1. Your Public Aid photo I.D. and one other piece of identification not from Public Aid such as a driver's license, voter's registration or school I.D.
- ☐ 2. Pay stubs from all employment for you/your spouse and all other sources of income.
- ☐ 3. All unemployment insurance benefit information for you/your spouse.
- ☐ 4. Group or individual family health insurance coverage information.
- ☐ 5. W-2 forms and tax returns for the 1985 and 1986 tax years.
- ☐ 6. Marriage license and/or divorce decree.
- ☐ 7. Rent/mortgage payment receipts and utility receipts.
- ☐ 8. Your spouse's address.
- ☐ 9.

It is required that you assist in completing this review. Your failure to keep the appointment scheduled by this notice may result in the discontinuance of your assistance grant and/or medical assistance and/or food stamps, based upon the Department's inability to establish your need for assistance. If you cannot keep this appointment please call the following number 793-6650.

NEW JERSEY DEPARTMENT OF HUMAN SERVICES
VIMS RESOURCE REPORT

CASE IDENTIFICATION						COUNTY COPY		STATE COPY	
CASE NAME	CASE TYPE	COUNTY	CASE NUMBER	JAN. REC.	WORKED REC.				
<div style="position: absolute; top: 10px; left: 10px; font-size: 0.8em;"> RESOURCE INFORMATION </div>						<p>COPY ALL RESPONSES FROM LEFT SIDE TO RIGHT SIDE, SIGN AND DATE</p>		<p>CO CASE NO CASE NAME: SUPV NO PERIOD</p>	
						<p>I NO ACTION TAKEN</p> <p>A <input type="checkbox"/> Case closed prior to review</p> <p>B <input type="checkbox"/> Benefit and employment periods differ</p> <p>C <input type="checkbox"/> Individual not a case member</p> <p>D <input type="checkbox"/> Client and resource individual not the same person</p> <p>E <input type="checkbox"/> Current benefits correct</p>		<p>I NO ACTION TAKEN</p> <p>A <input type="checkbox"/> Case closed prior to review</p> <p>B <input type="checkbox"/> Benefit and employment periods differ</p> <p>C <input type="checkbox"/> Individual not a case member</p> <p>D <input type="checkbox"/> Client and resource individual not the same person</p> <p>E <input type="checkbox"/> Current benefits correct</p>	
						<p>II ACTION TAKEN</p> <p>A AFDC</p> <p>1 a <input type="checkbox"/> Case closed</p> <p>b <input type="checkbox"/> Case rebudgeted</p> <p>2 Monthly grant</p> <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> </div>		<p>II ACTION TAKEN</p> <p>A AFDC</p> <p>1 a <input type="checkbox"/> Case closed</p> <p>b <input type="checkbox"/> Case rebudgeted</p> <p>2 Monthly grant</p> <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> </div>	
						<p>B FOOD STAMPS</p> <p>1 a <input type="checkbox"/> Case closed</p> <p>b <input type="checkbox"/> Allotment adjusted</p> <p>2 Allotment amount</p> <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> </div>		<p>B FOOD STAMPS</p> <p>1 a <input type="checkbox"/> Case closed</p> <p>b <input type="checkbox"/> Allotment adjusted</p> <p>2 Allotment amount</p> <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> <div style="border: 1px solid black; width: 40px; height: 20px;"></div> </div>	
						<p>C MEDICAID</p> <p>1 <input type="checkbox"/> Case closed</p> <p>2 <input type="checkbox"/> Third party health insurance identified</p>		<p>C MEDICAID</p> <p>1 <input type="checkbox"/> Case closed</p> <p>2 <input type="checkbox"/> Third party health insurance identified</p>	
<p>III ADDITIONAL INFORMATION</p> <p>A <input type="checkbox"/> Case referred for investigation of possible fraud</p>								<p>III ADDITIONAL INFORMATION</p> <p>A <input type="checkbox"/> Case referred for investigation of possible fraud</p>	
<p>SIGNATURE OF PREPARER</p>						<p>DATE</p>		<p>SIGNATURE OF PREPARER</p>	
								<p>DATE</p>	

CAMDEN COUNTY BOARD OF SOCIAL SERVICES

COUNTY ADMINISTRATION BUILDING
600 MARKET STREET
CAMDEN, NEW JERSEY 08101
TEL. 609-757-8800

THOMAS J. TULL
DIRECTOR

RIE R. DOYLE
PUTY DIRECTOR

Date _____

EMPLOYER _____

NAME _____
(put both maiden and married name)

ADDRESS _____

SOCIAL SECURITY NO. _____

Dear Employer:

As a result of information provided by employers under the New Jersey Wage Reporting Act, it has become possible to match wage information with Public Assistance records to determine potential over-payments of Public Assistance and/or Food Stamps.

The individual named above has been identified by the computer as being employed by your firm. To comply with the Wage Reporting Act, we must verify this data. We are requesting that you provide the following information on this person within ten (10) working days of receipt of this letter, confirmed by the signature of an authorized employee or agency of your firm.

1. All dates of hire and termination.
2. Dates and gross amounts of each pay period between hire and termination.

You may send this information on your own letterhead or you may complete the enclosed Employment Verification Form or you may photocopy your records containing the wage information on this employee or you may send a computer printout of his/her wages. .

3. Verification of address given above.
4. Social Security Number.
5. Health Insurance Carrier _____

I.D. Number _____ Group Number _____

6. Did employee receive earned income credit? YES _____ NO _____.

Please sign and date all documents and return with this letter. A self-addressed stamped envelope is enclosed for your use.

Your cooperation will be appreciated. Pursuant to N.J.S.A. 44:7-20, your failure to reply may result in a subpoena DUCES TECUM being issued for you to appear before the Director with the requested information.

Very truly yours,
CAMDEN COUNTY BOARD OF SOCIAL SERVICES

I-3

Encls.

Unit _____

I-3

The Camden County Board of Social Services

Employer: _____

Employee: _____ SSN: _____ Case # _____

MONTH	DATE/YR	GROSS PAY	DATE/YR	GROSS PAY	DATE/YR	GROSS PAY	COMMENTS
JANUARY							
FEBRUARY							
MARCH							
APRIL							
MAY							
JUNE							
JULY							
AUGUST							
SEPTEMBER							
OCTOBER							
NOVEMBER							
DECEMBER							
AUTHORIZED OFFICIAL, TITLE _____ DATE _____							

CASE NAME: _____ CASE NO.: _____

MATCH AND QUARTER: _____ DATE: _____

PERSONS EMPLOYED: _____ ALLEGED SSN: _____

EMPLOYER AND ADDRESS: _____

IS ALLEGED SSN CORRECT? _____ HOW VERIFIED? _____

IS CLIENT AND RESOURCE INDIVIDUAL THE SAME PERSON? _____

PROVIDE EXPLANATION: _____

IS INCOME REPORTED IN CASE RECORD? _____ IS A WAGE REQUEST NEEDED? _____

DATE REQUEST SENT: _____

CASE RECORD INFORMATION

MO/YR	EMP.
DATE	AMT.
DATE	AMT.
DATE	AMT.
DATE	AMT.
DATE	AMT.

MO/YR	EMP.
DATE	AMT.
DATE	AMT.
DATE	AMT.
DATE	AMT.
DATE	AMT.

MO/YR	EMP.
DATE	AMT.
DATE	AMT.
DATE	AMT.
DATE	AMT.
DATE	AMT.

TOTAL _____

TOTAL _____

TOTAL _____

ARE CURRENT BENEFITS CORRECT? _____

DO BENEFITS AND EMPLOYMENT PERIOD DIFFER? _____

IS THE INDIVIDUAL STILL A CASE MEMBER? _____

WAS THE CASE CLOSED PRIOR TO REVIEW? _____

GENERAL COMMENTS: (PLEASE CHECK THIRD PARTY HEALTH INSURANCE)

FINAL DETERMINATION AND PLAN OF ACTION:

FOLLOW-UP ACTION:

BURLINGTON COUNTY WELFARE BOARD
Route 38 and Bayrestown Road
Mount Holly, NJ 08060

Mary A. Lucas
Acting Director of Welfare

Telephone: (609) 261-10

Date: _____

File No: _____

Case Name: _____

Address: _____

Match and Period: _____

Dear Employer:

_____ was/is employed by your company. This client's name appeared on the most recent Wage Reporting Match of New Jersey Welfare/Food Stamp records and the New Jersey Quarterly Employer's Report. The following information is needed from your company in order to reconcile case discrepancies. Your participation in this matter is greatly appreciated and will assist in limiting Welfare/Food Stamp overissuances. You may complete the form below or send a photocopy of your payroll ledger. Release of this information is permitted under P.L. 1980, Chapter 48.

Very truly yours,

BURLINGTON COUNTY WELFARE BOARD

Mary A. Lucas

Mary A. Lucas
Acting Director of Welfare

Signature

PLEASE SUPPLY THE FOLLOWING INFORMATION:

Please list checks issued from _____ to _____

Date of hire _____ Date of termination _____

Social Security Number: _____

Frequency of Pay: Weekly _____ Bi-Weekly _____ Semi-Monthly _____ Monthly _____

Medical Coverage Provider: _____

Enrolled in coverage _____ End of coverage _____

_____ If checked, please supply a copy of application for job.

Please list complete employment history of client, including HIRE and TERMINATION. A monthly or weekly breakdown of earnings MUST be included with emphasis on the _____ quarter 198____.

-OVER- I-6

STATEMENT OF RELEASE OF INFORMATION

I _____ authorize the Burlington County
Welfare Board employee to discuss information they are required to verify
by Federal Regulations (45CFR 205.56(a) (I) (ii) and 7CFR 273.2(f)(9)(v).

(Witness) _____

(Date) _____

Bank or Payer



BURLINGTON COUNTY WELFARE BOARD

Route 38 & Eayrestown Road
Mount Holly, New Jersey 08060

Mary A. Lucas
Acting Director of Welfare

Telephone
(609) 261-1000

RE: _____

Our Case No. _____

Your Number _____

BANK RESOURCE VERIFICATION LETTER

Dear Sir:

It has come to our attention that the above named individual has or had monetary accounts with your institution. In accordance with state regulations, we must verify certain information. Please furnish the information below, if checked:

- ____ 1) Date account was opened.
- ____ 2) Date account was closed.
- ____ 3) Listing of first of month monetary balances for the time period _____ to _____
- ____ 4) Other _____

Thank you kindly for your cooperation in this matter. Also enclosed is a signed release for this information.

If there are any problems or questions, please feel free to contact me at 261-1000 extension _____

Very truly yours,

BURLINGTON COUNTY WELFARE BOARD

Pauline Glenn
IM Supervisor

PG/pfh
Enclosure

DIVISION OF COMMUNITY SERVICES/BUREAU OF ECONOMIC ASSISTANCE
 IRS UNEARNED INCOME MATCH — MM/YY APPLICANTS — XX/XX/XX (run date)
 COUNT OF RECORDS, INDIVIDUALS AND CASES MATCHED
 COUNTY SUMMARY

COUNTY NUMBER _____

COUNTY NAME _____

<u>WORKER NUMBER</u>	<u>WORKER NAME</u>	<u># OF RECORDS</u>	<u># OF INDIV.</u>	<u># OF CASES</u>
XXXX		XX	XX	XX
XXXX		XX	XX	XX
XXXX		XX	XX	XX
XXXX		XX	XX	XX
COUNTY TOTAL:		XX	XX	XX

PAGE BREAK BY COUNTY

DIVISION OF COMMUNITY SERVICES/BUREAU OF ECONOMIC ASSISTANCE
 IRS UNEARNED INCOME MATCH — MM/YY APPLICANTS — XX/XX/XX (run date)
 COUNT OF RECORDS, INDIVIDUALS AND CASES MATCHED
 STATEWIDE SUMMARY

<u>COUNTY NUMBER</u>	<u>COUNTY NAME</u>	<u># OF RECORDS</u>	<u># OF INDIV.</u>	<u># OF CASES</u>
XXXX		XX	XX	XX
XXXX		XX	XX	XX
XXXX		XX	XX	XX
XXXX		XX	XX	XX
STATEWIDE TOTAL:		XX	XX	XX



Department of Social Services

OFFICE OF PROGRAM MANAGEMENT



RE:

Gentlemen:

The above-referenced family has applied for assistance from the South Dakota Department of Social Services, and has consented to our requesting the following information.

Would you please verify the following balances:

1. Checking account as of _____ application/review date \$ _____ amount
2. Savings account as of _____ application/review date \$ _____ amount
3. Certificates of Deposit as of _____ application/review date \$ _____ amount
4. Are there regular deposits to the account? Checking: YES _____ NO _____
Savings: YES _____ NO _____
5. Are there Direct Deposits? Checking: YES _____ NO _____
(Social Security, Veterans's Benefits, etc.) Savings: YES _____ NO _____

Signature of Person Providing Information

An authorization to Furnish Information (AP-208) is enclosed for your records. A stamped, self-addressed envelope is enclosed for your convenience.

Your assistance in this matter will be appreciated.

Sincerely,

Caseworker

Enc: AP-208
Envelope

EMPLOYEE NAME

PLACE OF EMPLOYMENT

PLEASE PROVIDE VERIFICATION OF WAGES:

FOR THE FOLLOWING PERIOD

____ 15/ ____ THROUGH ____ 14/ ____

HOURS	GROSS WAGES	TIPS	DATE RECEIVED	COMMENTS

INDICATE HOW OFTEN PAID:

____ WEEKLY

____ EVERY TWO WEEKS

____ TWICE A MONTH

____ MONTHLY

____ OTHER, PLEASE EXPLAIN

____ EMPLOYER'S SIGNATURE

PLEASE RETURN THIS FORM BETWEEN THE 15TH AND 20TH OF EACH MONTH



Aberdeen

Department of Social Services
OFFICE OF FIELD MANAGEMENT

OFFICE OF ECONOMIC ASSISTANCE
P O Box 2440
Rapid City, SD 57709

RE:
SS#:

Dear Sir:

Through an exchange of information with the Department of Labor, our agency has learned of wages received by the above named individual. The client has given the Department of Social Services authorization to request information concerning his circumstances.

Our department needs the following employment information from the _____ to the present. Please list each pay stub by the date received.

Employment start date:

Pay period	Pay date	Gross Amount	Pay period	Pay date	Gross amount
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Please use the back for additional pay periods.

A copy of the Authorization form and a self addressed stamped envelope is enclosed for your convenience. Thank you for your assistance.

Sincerely,

Caseworker

Signature of person providing information:

(Signature)

(Date)

Enclosures: 2

Case Number _____

County _____

Type of Assistance _____

Authorization To Furnish Information And Release Information

TO WHOM IT MAY CONCERN:

I hereby authorize any person, agency, or institution to supply information requested by the Department of Social Services, concerning me or my family, and to allow inspection and reproduction of records in his or their possession pertaining to me or my family by any duly authorized representative of the Department of Social Services.

I further authorize the Department of Social Services to release such information to providers or cooperating State or Federal agencies.

I herewith release any person, agency, or institution from any and all liability to me or my family for supplying such information.

This authorization is given only in connection with its use by the Department of Social Services in its administration of its programs and for no other purpose.

Signature of Applicant_____
Date_____
Signature of Spouse or Guardian (If Applicable)_____
Date_____
Address (State/City)_____
Zip Code_____
Telephone Number